

REGIONAL ECONOMIC AND INFRASTRUCTURE
DEVELOPMENT ACT OF 2007

SEPTEMBER 7, 2007.—Committed to the Committee of the Whole House on the State
of the Union and ordered to be printed

Mr. OBERSTAR, from the Committee on Transportation and
Infrastructure, submitted the following

R E P O R T

[To accompany H.R. 3246]

The Committee on Transportation and Infrastructure, to whom
was referred the bill (H.R. 3246) to amend title 40, United States
Code, to provide a comprehensive regional approach to economic
and infrastructure development in the most severely economically
distressed regions in the Nation, having considered the same, re-
port favorably thereon with an amendment and recommend that
the bill as amended do pass.

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Regional Economic and Infrastructure Development
Act of 2007”.

SEC. 2. FINDINGS AND PURPOSES.

(a) **FINDINGS.**—Congress finds that—

(1) certain regions of the Nation, including Appalachia, the Mississippi Delta
Region, the Northern Great Plains Region, the Southeast Crescent Region, the
Southwest Border Region, the Northern Border Region, and rural Alaska, have
suffered from chronic distress far above the national average;

(2) an economically distressed region can suffer unemployment and poverty
at a rate that is 150 percent of the national average; and

(3) regional commissions are unique Federal-State partnerships that can pro-
vide targeted resources to alleviate pervasive economic distress.

(b) **PURPOSES.**—The purposes of this Act are—

(1) to provide a comprehensive regional approach to economic and infrastruc-
ture development in the most severely economically distressed regions in the
Nation; and

(2) to ensure that the most severely economically distressed regions in the
Nation have the necessary tools to develop the basic building blocks for eco-
nomic development, such as transportation and basic public infrastructure, job
skills training, and business development.

SEC. 3. REGIONAL ECONOMIC AND INFRASTRUCTURE DEVELOPMENT.

- (a) IN GENERAL.—Title 40, United States Code, is amended—
- (1) by redesignating subtitle V as subtitle VI; and
 - (2) by inserting after subtitle IV the following:

**“Subtitle V—Regional Economic and
Infrastructure Development**

“Chapter	Sec.
“151. GENERAL PROVISIONS	15101
“153. REGIONAL COMMISSIONS	15301
“155. FINANCIAL ASSISTANCE	15501
“157. ADMINISTRATIVE PROVISIONS	15701

“CHAPTER 151—GENERAL PROVISIONS

“Sec.
“15101. Definitions.

“§ 15101. Definitions

“In this subtitle, the following definitions apply:

“ (1) COMMISSION.—The term ‘Commission’ means a Commission established under section 15301.

“ (2) LOCAL DEVELOPMENT DISTRICT.—The term ‘local development district’ means an entity that—

“ (A)(i) is an economic development district that is—

“ (I) in existence on the date of enactment of this chapter; and

“ (II) located in the region; or

“ (ii) if an entity described in clause (i) does not exist—

“ (I) is organized and operated in a manner that ensures broad-based community participation and an effective opportunity for local officials, community leaders, and the public to contribute to the development and implementation of programs in the region;

“ (II) is governed by a policy board with at least a simple majority of members consisting of—

“ (aa) elected officials; or

“ (bb) designees or employees of a general purpose unit of local government that have been appointed to represent the unit of local government; and

“ (III) is certified by the Governor or appropriate State officer as having a charter or authority that includes the economic development of counties, portions of counties, or other political subdivisions within the region; and

“ (B) has not, as certified by the Federal Cochairperson—

“ (i) inappropriately used Federal grant funds from any Federal source; or

“ (ii) appointed an officer who, during the period in which another entity inappropriately used Federal grant funds from any Federal source, was an officer of the other entity.

“ (3) FEDERAL GRANT PROGRAM.—The term ‘Federal grant program’ means a Federal grant program to provide assistance in carrying out economic and community development activities.

“ (4) INDIAN TRIBE.—The term ‘Indian tribe’ has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

“ (5) NONPROFIT ENTITY.—The term ‘nonprofit entity’ means any entity with tax-exempt or nonprofit status, as defined by the Internal Revenue Service, that has been formed for the purpose of economic development.

“ (6) REGION.—The term ‘region’ means the area covered by a Commission as described in subchapter II of chapter 157.

“CHAPTER 153—REGIONAL COMMISSIONS

“Sec.
“15301. Establishment, membership, and employees.
“15302. Decisions.
“15303. Functions.
“15304. Administrative powers and expenses.
“15305. Meetings.
“15306. Personal financial interests.
“15307. Tribal representation on Northern Great Plains Regional Commission.

“15308. Tribal participation.
 “15309. Annual report.

“§ 15301. Establishment, membership, and employees

“(a) ESTABLISHMENT.—There are established the following regional Commissions:

- “(1) The Delta Regional Commission.
- “(2) The Northern Great Plains Regional Commission.
- “(3) The Southeast Crescent Regional Commission.
- “(4) The Southwest Border Regional Commission.
- “(5) The Northern Border Regional Commission.

“(b) MEMBERSHIP.—

“(1) FEDERAL AND STATE MEMBERS.—Each Commission shall be composed of the following members:

“(A) A Federal Cochairperson, to be appointed by the President, by and with the advice and consent of the Senate.

“(B) The Governor of each participating State in the region of the Commission.

“(2) ALTERNATE MEMBERS.—

“(A) ALTERNATE FEDERAL COCHAIRPERSON.—The President shall appoint an alternate Federal Cochairperson for each Commission. The alternate Federal Cochairperson, when not actively serving as an alternate for the Federal Cochairperson, shall perform such functions and duties as are delegated by the Federal Cochairperson.

“(B) STATE ALTERNATES.—The State member of a participating State may have a single alternate, who shall be appointed by the Governor of the State from among the members of the Governor’s cabinet or personal staff.

“(C) VOTING.—An alternate member shall vote in the case of the absence, death, disability, removal, or resignation of the Federal or State member for which the alternate member is an alternate.

“(3) COCHAIRPERSONS.—A Commission shall be headed by—

“(A) the Federal Cochairperson, who shall serve as a liaison between the Federal Government and the Commission; and

“(B) a State Cochairperson, who shall be a Governor of a participating State in the region and shall be elected by the State members for a term of not less than 1 year.

“(4) CONSECUTIVE TERMS.—A State member may not be elected to serve as State Cochairperson for more than 2 consecutive terms.

“(c) COMPENSATION.—

“(1) FEDERAL COCHAIRPERSONS.—Each Federal Cochairperson shall be compensated by the Federal Government at level III of the Executive Schedule as set out in section 5314 of title 5.

“(2) ALTERNATE FEDERAL COCHAIRPERSONS.—Each Federal Cochairperson’s alternate shall be compensated by the Federal Government at level V of the Executive Schedule as set out in section 5316 of title 5.

“(3) STATE MEMBERS AND ALTERNATES.—Each State member and alternate shall be compensated by the State that they represent at the rate established by the laws of that State.

“(d) EXECUTIVE DIRECTOR AND STAFF.—

“(1) IN GENERAL.—A Commission shall appoint and fix the compensation of an executive director and such other personnel as are necessary to enable the Commission to carry out its duties. Compensation under this paragraph may not exceed the maximum rate of basic pay established for the Senior Executive Service under section 5382 of title 5, including any applicable locality-based comparability payment that may be authorized under section 5304(h)(2)(C) of that title.

“(2) EXECUTIVE DIRECTOR.—The executive director shall be responsible for carrying out the administrative duties of the Commission, directing the Commission staff, and such other duties as the Commission may assign.

“(e) NO FEDERAL EMPLOYEE STATUS.—No member, alternate, officer, or employee of a Commission (other than the Federal Cochairperson, the alternate Federal Cochairperson, staff of the Federal Cochairperson, and any Federal employee detailed to the Commission) shall be considered to be a Federal employee for any purpose.

“§ 15302. Decisions

“(a) REQUIREMENTS FOR APPROVAL.—Except as provided in section 15304(c)(3), decisions by the Commission shall require the affirmative vote of the Federal Cochairperson and a majority of the State members (exclusive of members representing States delinquent under section 15304(c)(3)(C)).

“(b) CONSULTATION.—In matters coming before the Commission, the Federal Co-chairperson shall, to the extent practicable, consult with the Federal departments and agencies having an interest in the subject matter.

“(c) QUORUMS.—A Commission shall determine what constitutes a quorum for Commission meetings; except that—

“(1) any quorum shall include the Federal Cochairperson or the alternate Federal Cochairperson; and

“(2) a State alternate member shall not be counted toward the establishment of a quorum.

“(d) PROJECTS AND GRANT PROPOSALS.—The approval of project and grant proposals shall be a responsibility of each Commission and shall be carried out in accordance with section 15503.

“§ 15303. Functions

“A Commission shall—

“(1) assess the needs and assets of its region based on available research, demonstration projects, investigations, assessments, and evaluations of the region prepared by Federal, State, and local agencies, universities, local development districts, and other nonprofit groups;

“(2) develop, on a continuing basis, comprehensive and coordinated economic and infrastructure development strategies to establish priorities and approve grants for the economic development of its region, giving due consideration to other Federal, State, and local planning and development activities in the region;

“(3) not later than one year after the date of enactment of this section, and after taking into account State plans developed under section 15502, establish priorities in an economic and infrastructure development plan for its region, including 5-year regional outcome targets;

“(4)(A) enhance the capacity of, and provide support for, local development districts in its region; or

“(B) if no local development district exists in an area in a participating State in the region, foster the creation of a local development district;

“(5) encourage private investment in industrial, commercial, and other economic development projects in its region;

“(6) cooperate with and assist State governments with the preparation of economic and infrastructure development plans and programs for participating States;

“(7) formulate and recommend to the Governors and legislatures of States that participate in the Commission forms of interstate cooperation and, where appropriate, international cooperation; and

“(8) work with State and local agencies in developing appropriate model legislation to enhance local and regional economic development.

“§ 15304. Administrative powers and expenses

“(a) POWERS.—In carrying out its duties under this subtitle, a Commission may—

“(1) hold such hearings, sit and act at such times and places, take such testimony, receive such evidence, and print or otherwise reproduce and distribute a description of the proceedings and reports on actions by the Commission as the Commission considers appropriate;

“(2) authorize, through the Federal or State Cochairperson or any other member of the Commission designated by the Commission, the administration of oaths if the Commission determines that testimony should be taken or evidence received under oath;

“(3) request from any Federal, State, or local agency such information as may be available to or procurable by the agency that may be of use to the Commission in carrying out the duties of the Commission;

“(4) adopt, amend, and repeal bylaws and rules governing the conduct of business and the performance of duties by the Commission;

“(5) request the head of any Federal agency, State agency, or local government to detail to the Commission such personnel as the Commission requires to carry out its duties, each such detail to be without loss of seniority, pay, or other employee status;

“(6) provide for coverage of Commission employees in a suitable retirement and employee benefit system by making arrangements or entering into contracts with any participating State government or otherwise providing retirement and other employee coverage;

“(7) accept, use, and dispose of gifts or donations or services or real, personal, tangible, or intangible property;

“(8) enter into and perform such contracts, cooperative agreements, or other transactions as are necessary to carry out Commission duties, including any

contracts or cooperative agreements with a department, agency, or instrumentality of the United States, a State (including a political subdivision, agency, or instrumentality of the State), or a person, firm, association, or corporation; and
 “(9) maintain a government relations office in the District of Columbia and establish and maintain a central office at such location in its region as the Commission may select.

“(b) FEDERAL AGENCY COOPERATION.—A Federal agency shall—

“(1) cooperate with a Commission; and

“(2) provide, to the extent practicable, on request of the Federal Cochairperson, appropriate assistance in carrying out this subtitle, in accordance with applicable Federal laws (including regulations).

“(c) ADMINISTRATIVE EXPENSES.—

“(1) IN GENERAL.—Subject to paragraph (2), the administrative expenses of a Commission shall be paid—

“(A) by the Federal Government, in an amount equal to 50 percent of the administrative expenses of the Commission; and

“(B) by the States participating in the Commission, in an amount equal to 50 percent of the administrative expenses.

“(2) EXPENSES OF THE FEDERAL COCHAIRPERSON.—All expenses of the Federal Cochairperson, including expenses of the alternate and staff of the Federal Cochairperson, shall be paid by the Federal Government.

“(3) STATE SHARE.—

“(A) IN GENERAL.—Subject to subparagraph (B), the share of administrative expenses of a Commission to be paid by each State of the Commission shall be determined by a unanimous vote of the State members of the Commission.

“(B) NO FEDERAL PARTICIPATION.—The Federal Cochairperson shall not participate or vote in any decision under subparagraph (A).

“(C) DELINQUENT STATES.—During any period in which a State is more than 1 year delinquent in payment of the State’s share of administrative expenses of the Commission under this subsection—

“(i) no assistance under this subtitle shall be provided to the State (including assistance to a political subdivision or a resident of the State) for any project not approved as of the date of the commencement of the delinquency; and

“(ii) no member of the Commission from the State shall participate or vote in any action by the Commission.

“(4) EFFECT ON ASSISTANCE.—A State’s share of administrative expenses of a Commission under this subsection shall not be taken into consideration when determining the amount of assistance provided to the State under this subtitle.

“§ 15305. Meetings

“(a) INITIAL MEETING.—Each Commission shall hold an initial meeting not later than 180 days after the date of enactment of this section.

“(b) ANNUAL MEETING.—Each Commission shall conduct at least 1 meeting each year with the Federal Cochairperson and at least a majority of the State members present.

“(c) ADDITIONAL MEETINGS.—Each Commission shall conduct additional meetings at such times as it determines and may conduct such meetings by electronic means.

“§ 15306. Personal financial interests

“(a) CONFLICTS OF INTEREST.—

“(1) NO ROLE ALLOWED.—Except as permitted by paragraph (2), an individual who is a State member or alternate, or an officer or employee of a Commission, shall not participate personally and substantially as a member, alternate, officer, or employee of the Commission, through decision, approval, disapproval, recommendation, request for a ruling, or other determination, contract, claim, controversy, or other matter in which, to the individual’s knowledge, any of the following has a financial interest:

“(A) The individual.

“(B) The individual’s spouse, minor child, or partner.

“(C) An organization (except a State or political subdivision of a State) in which the individual is serving as an officer, director, trustee, partner, or employee.

“(D) Any person or organization with whom the individual is negotiating or has any arrangement concerning prospective employment.

“(2) EXCEPTION.—Paragraph (1) shall not apply if the individual, in advance of the proceeding, application, request for a ruling or other determination, contract, claim controversy, or other particular matter presenting a potential conflict of interest—

“(A) advises the Commission of the nature and circumstances of the matter presenting the conflict of interest;

“(B) makes full disclosure of the financial interest; and

“(C) receives a written decision of the Commission that the interest is not so substantial as to be considered likely to affect the integrity of the services that the Commission may expect from the individual.

“(3) VIOLATION.—An individual violating this subsection shall be fined under title 18, imprisoned for not more than 1 year, or both.

“(b) STATE MEMBER OR ALTERNATE.—A State member or alternate member may not receive any salary, or any contribution to, or supplementation of, salary, for services on a Commission from a source other than the State of the member or alternate.

“(c) DETAILED EMPLOYEES.—

“(1) IN GENERAL.—No person detailed to serve a Commission shall receive any salary, or any contribution to, or supplementation of, salary, for services provided to the Commission from any source other than the State, local, or intergovernmental department or agency from which the person was detailed to the Commission.

“(2) VIOLATION.—Any person that violates this subsection shall be fined under title 18, imprisoned not more than 1 year, or both.

“(d) FEDERAL COCHAIRMAN, ALTERNATE TO FEDERAL COCHAIRMAN, AND FEDERAL OFFICERS AND EMPLOYEES.—The Federal Cochairman, the alternate to the Federal Cochairman, and any Federal officer or employee detailed to duty with the Commission are not subject to this section but remain subject to sections 202 through 209 of title 18.

“(e) RESCISSION.—A Commission may declare void any contract, loan, or grant of or by the Commission in relation to which the Commission determines that there has been a violation of any provision under subsection (a)(1), (b), or (c), or any of the provisions of sections 202 through 209 of title 18.

“§ 15307. Tribal representation on Northern Great Plains Regional Commission

“(a) TRIBAL COCHAIRPERSON.—

“(1) APPOINTMENT.—In addition to the members specified in section 15301(b)(1), the membership of the Northern Great Plains Regional Commission shall include a Tribal Cochairperson, to be appointed by the President, by and with the advice and consent of the Senate. The Tribal Cochairperson shall be a member of an Indian tribe in the Commission’s region.

“(2) DUTIES.—In addition to the Federal Cochairperson and State Cochairperson, the Commission shall be headed by the Tribal Cochairperson, who shall serve as a liaison between the governments of Indian tribes in the region and the Commission.

“(b) ALTERNATE TRIBAL COCHAIRPERSON.—

“(1) APPOINTMENT.—The President shall appoint an alternate to the Tribal Cochairperson.

“(2) DUTIES.—The alternate Tribal Cochairperson, when not actively serving as an alternate for the Tribal Cochairperson, shall perform such functions and duties as are delegated by the Tribal Cochairperson.

“(3) VOTING.—The alternate Tribal Cochairperson shall vote in the case of the absence, death, disability, removal, or resignation of the Tribal Cochairperson.

“(c) COMPENSATION.—

“(1) TRIBAL COCHAIRPERSON.—The Tribal Cochairperson shall be compensated by the Federal Government at level III of the Executive Schedule as set out in section 5314 of title 5.

“(2) ALTERNATE TRIBAL COCHAIRPERSON.—The Tribal Cochairperson’s alternate shall be compensated by the Federal Government at level V of the Executive Schedule as set out in section 5316 of title 5.

“(d) EXPENSES OF TRIBAL COCHAIRPERSON.—All expenses of the Tribal Cochairperson, including expenses of the alternate and staff of the Tribal Cochairperson, shall be paid by the Federal Government.

“(e) DUTIES AND PRIVILEGES.—Except as provided in subsections (c) and (d), the Tribal Cochairperson shall have the same duties and privileges as the State Cochairperson.

“§ 15308. Tribal participation

“Governments of Indian tribes in the region of the Northern Great Plains Regional Commission or the Southwest Border Regional Commission shall be allowed to participate in matters before that Commission in the same manner and to the same extent as State agencies and instrumentalities in the region.

“§ 15309. Annual report

“(a) IN GENERAL.—Not later than 90 days after the last day of each fiscal year, each Commission shall submit to the President and Congress a report on the activities carried out by the Commission under this subtitle in the fiscal year.

“(b) CONTENTS.—The report shall include—

“(1) a description of the criteria used by the Commission to designate counties under section 15702 and a list of the counties designated in each category;

“(2) an evaluation of the progress of the Commission in meeting the goals identified in the Commission’s economic and infrastructure development plan under section 15303 and State economic and infrastructure development plans under section 15502; and

“(3) any policy recommendations approved by the Commission.

“CHAPTER 155—FINANCIAL ASSISTANCE

“Sec.

“15501. Economic and infrastructure development grants.

“15502. Comprehensive economic and infrastructure development plans.

“15503. Approval of applications for assistance.

“15504. Program development criteria.

“15505. Local development districts and organizations.

“15506. Supplements to Federal grant programs.

“§ 15501. Economic and infrastructure development grants

“(a) IN GENERAL.—A Commission may make grants to States and local governments, Indian tribes, and public and nonprofit organizations for projects, approved in accordance with section 15503—

“(1) to develop the transportation infrastructure of its region;

“(2) to develop the basic public infrastructure of its region;

“(3) to develop the telecommunications infrastructure of its region;

“(4) to assist its region in obtaining job skills training, skills development and employment-related education, entrepreneurship, technology, and business development;

“(5) to provide assistance to severely economically distressed and underdeveloped areas of its region that lack financial resources for improving basic health care and other public services;

“(6) to promote resource conservation, tourism, recreation, and preservation of open space in a manner consistent with economic development goals;

“(7) to promote the development of renewable and alternative energy sources; and

“(8) to otherwise achieve the purposes of this subtitle.

“(b) ALLOCATION OF FUNDS.—A Commission shall allocate at least 40 percent of any grant amounts provided by the Commission in a fiscal year for projects described in paragraphs (1) through (3) of subsection (a).

“(c) SOURCES OF GRANTS.—Grant amounts may be provided entirely from appropriations to carry out this subtitle, in combination with amounts available under other Federal grant programs, or from any other source.

“(d) MAXIMUM COMMISSION CONTRIBUTIONS.—

“(1) IN GENERAL.—Subject to paragraphs (2) and (3), the Commission may contribute not more than 50 percent of a project or activity cost eligible for financial assistance under this section from amounts appropriated to carry out this subtitle.

“(2) DISTRESSED COUNTIES.—The maximum Commission contribution for a project or activity to be carried out in a county for which a distressed county designation is in effect under section 15702 may be increased to 80 percent.

“(3) SPECIAL RULE FOR REGIONAL PROJECTS.—A Commission may increase to 60 percent under paragraph (1) and 90 percent under paragraph (2) the maximum Commission contribution for a project or activity if—

“(A) the project or activity involves 3 or more counties or more than one State; and

“(B) the Commission determines in accordance with section 15302(a) that the project or activity will bring significant interstate or multicounty benefits to a region.

“(e) MAINTENANCE OF EFFORT.—Funds may be provided by a Commission for a program or project in a State under this section only if the Commission determines that the level of Federal or State financial assistance provided under a law other than this subtitle, for the same type of program or project in the same area of the State within region, will not be reduced as a result of funds made available by this subtitle.

“(f) NO RELOCATION ASSISTANCE.—Financial assistance authorized by this section may not be used to assist a person or entity in relocating from one area to another.

“§ 15502. Comprehensive economic and infrastructure development plans

“(a) STATE PLANS.—In accordance with policies established by a Commission, each State member of the Commission shall submit a comprehensive economic and infrastructure development plan for the area of the region represented by the State member.

“(b) CONTENT OF PLAN.—A State economic and infrastructure development plan shall reflect the goals, objectives, and priorities identified in any applicable economic and infrastructure development plan developed by a Commission under section 15303.

“(c) CONSULTATION WITH INTERESTED LOCAL PARTIES.—In carrying out the development planning process (including the selection of programs and projects for assistance), a State shall—

“(1) consult with local development districts, local units of government, and local colleges and universities; and

“(2) take into consideration the goals, objectives, priorities, and recommendations of the entities described in paragraph (1).

“(d) PUBLIC PARTICIPATION.—

“(1) IN GENERAL.—A Commission and applicable State and local development districts shall encourage and assist, to the maximum extent practicable, public participation in the development, revision, and implementation of all plans and programs under this subtitle.

“(2) GUIDELINES.—A Commission shall develop guidelines for providing public participation, including public hearings.

“§ 15503. Approval of applications for assistance

“(a) EVALUATION BY STATE MEMBER.—An application to a Commission for a grant or any other assistance for a project under this subtitle shall be made through, and evaluated for approval by, the State member of the Commission representing the applicant.

“(b) CERTIFICATION.—An application to a Commission for a grant or other assistance for a project under this subtitle shall be eligible for assistance only on certification by the State member of the Commission representing the applicant that the application for the project—

“(1) describes ways in which the project complies with any applicable State economic and infrastructure development plan;

“(2) meets applicable criteria under section 15504;

“(3) adequately ensures that the project will be properly administered, operated, and maintained; and

“(4) otherwise meets the requirements for assistance under this subtitle.

“(c) VOTES FOR DECISIONS.—On certification by a State member of a Commission of an application for a grant or other assistance for a specific project under this section, an affirmative vote of the Commission under section 15302 shall be required for approval of the application.

“§ 15504. Program development criteria

“(a) IN GENERAL.—In considering programs and projects to be provided assistance by a Commission under this subtitle, and in establishing a priority ranking of the requests for assistance provided to the Commission, the Commission shall follow procedures that ensure, to the maximum extent practicable, consideration of—

“(1) the relationship of the project or class of projects to overall regional development;

“(2) the per capita income and poverty and unemployment and outmigration rates in an area;

“(3) the financial resources available to the applicants for assistance seeking to carry out the project, with emphasis on ensuring that projects are adequately financed to maximize the probability of successful economic development;

“(4) the importance of the project or class of projects in relation to the other projects or classes of projects that may be in competition for the same funds;

“(5) the prospects that the project for which assistance is sought will improve, on a continuing rather than a temporary basis, the opportunities for employment, the average level of income, or the economic development of the area to be served by the project; and

“(6) the extent to which the project design provides for detailed outcome measurements by which grant expenditures and the results of the expenditures may be evaluated.

“§ 15505. Local development districts and organizations

“(a) GRANTS TO LOCAL DEVELOPMENT DISTRICTS.—Subject to the requirements of this section, a Commission may make grants to a local development district to assist in the payment of development planning and administrative expenses.

“(b) CONDITIONS FOR GRANTS.—

“(1) MAXIMUM AMOUNT.—The amount of a grant awarded under this section may not exceed 80 percent of the administrative and planning expenses of the local development district receiving the grant.

“(2) MAXIMUM PERIOD FOR STATE AGENCIES.—In the case of a State agency certified as a local development district, a grant may not be awarded to the agency under this section for more than 3 fiscal years.

“(3) LOCAL SHARE.—The contributions of a local development district for administrative expenses may be in cash or in kind, fairly evaluated, including space, equipment, and services.

“(c) DUTIES OF LOCAL DEVELOPMENT DISTRICTS.—A local development district shall—

“(1) operate as a lead organization serving multicounty areas in the region at the local level;

“(2) assist the Commission in carrying out outreach activities for local governments, community development groups, the business community, and the public;

“(3) serve as a liaison between State and local governments, nonprofit organizations (including community-based groups and educational institutions), the business community, and citizens; and

“(4) assist the individuals and entities described in paragraph (3) in identifying, assessing, and facilitating projects and programs to promote the economic development of the region.

“§ 15506. Supplements to Federal grant programs

“(a) FINDING.—Congress finds that certain States and local communities of the region, including local development districts, may be unable to take maximum advantage of Federal grant programs for which the States and communities are eligible because—

“(1) they lack the economic resources to provide the required matching share;

or

“(2) there are insufficient funds available under the applicable Federal law with respect to a project to be carried out in the region.

“(b) FEDERAL GRANT PROGRAM FUNDING.—A Commission, with the approval of the Federal Cochairperson, may use amounts made available to carry out this subtitle—

“(1) for any part of the basic Federal contribution to projects or activities under the Federal grant programs authorized by Federal laws; and

“(2) to increase the Federal contribution to projects and activities under the programs above the fixed maximum part of the cost of the projects or activities otherwise authorized by the applicable law.

“(c) CERTIFICATION REQUIRED.—For a program, project, or activity for which any part of the basic Federal contribution to the project or activity under a Federal grant program is proposed to be made under subsection (b), the Federal contribution shall not be made until the responsible Federal official administering the Federal law authorizing the Federal contribution certifies that the program, project, or activity meets the applicable requirements of the Federal law and could be approved for Federal contribution under that law if amounts were available under the law for the program, project, or activity.

“(d) LIMITATIONS IN OTHER LAWS INAPPLICABLE.—Amounts provided pursuant to this subtitle are available without regard to any limitations on areas eligible for assistance or authorizations for appropriation in any other law.

“(e) FEDERAL SHARE.—The Federal share of the cost of a project or activity receiving assistance under this section shall not exceed 80 percent.

“(f) MAXIMUM COMMISSION CONTRIBUTION.—Section 15501(d), relating to limitations on Commission contributions, shall apply to a program, project, or activity receiving assistance under this section.

“CHAPTER 157—ADMINISTRATIVE PROVISIONS

“SUBCHAPTER I—GENERAL PROVISIONS

“Sec.

“15701. Consent of States.

“15702. Distressed counties and areas.

“15703. Counties eligible for assistance in more than one region.

“15704. Inspector General; records.

“15705. Biannual meetings of representatives of all Commissions.

“15706. Relationship to other laws.

“SUBCHAPTER II—DESIGNATION OF REGIONS

“15731. Delta Regional Commission.

“15732. Northern Great Plains Regional Commission.

“15733. Southeast Crescent Regional Commission.

“15734. Southwest Border Regional Commission.
 “15735. Northern Border Regional Commission.

“SUBCHAPTER III—AUTHORIZATION OF APPROPRIATIONS

“15751. Authorization of appropriations.

“SUBCHAPTER I—GENERAL PROVISIONS

“§ 15701. Consent of States

“This subtitle does not require a State to engage in or accept a program under this subtitle without its consent.

“§ 15702. Distressed counties and areas

“(a) DESIGNATIONS.—Not later than 90 days after the date of enactment of this section, and annually thereafter, each Commission shall make the following designations:

“(1) DISTRESSED COUNTIES.—The Commission shall designate as distressed counties those counties in its region that are the most severely and persistently economically distressed and underdeveloped and have high rates of poverty, unemployment, or outmigration.

“(2) TRANSITIONAL COUNTIES.—The Commission shall designate as transitional counties those counties in its region that are economically distressed and underdeveloped or have recently suffered high rates of poverty, unemployment, or outmigration.

“(3) ATTAINMENT COUNTIES.—The Commission shall designate as attainment counties, those counties in its region that are not designated as distressed or transitional counties under this subsection.

“(4) ISOLATED AREAS OF DISTRESS.—The Commission shall designate as isolated areas of distress, areas located in counties designated as attainment counties under paragraph (3) that have high rates of poverty, unemployment, or outmigration.

“(b) ALLOCATION.—A Commission shall allocate at least 50 percent of the appropriations made available to the Commission to carry out this subtitle for programs and projects designed to serve the needs of distressed counties and isolated areas of distress in the region.

“(c) ATTAINMENT COUNTIES.—

“(1) IN GENERAL.—Except as provided in paragraph (2), funds may not be provided under this subtitle for a project located in a county designated as an attainment county under subsection (a).

“(2) EXCEPTIONS.—

“(A) ADMINISTRATIVE EXPENSES OF LOCAL DEVELOPMENT DISTRICTS.—The funding prohibition under paragraph (1) shall not apply to grants to fund the administrative expenses of local development districts under section 15505.

“(B) MULTICOUNTY AND OTHER PROJECTS.—A Commission may waive the application of the funding prohibition under paragraph (1) with respect to—

“(i) a multicounty project that includes participation by an attainment county; and

“(ii) any other type of project, if a Commission determines that the project could bring significant benefits to areas of the region outside an attainment county.

“(3) ISOLATED AREAS OF DISTRESS.—For a designation of an isolated area of distress to be effective, the designation shall be supported—

“(A) by the most recent Federal data available; or

“(B) if no recent Federal data are available, by the most recent data available through the government of the State in which the isolated area of distress is located.

“§ 15703. Counties eligible for assistance in more than one region

“(a) LIMITATION.—A political subdivision of a State may not receive assistance under this subtitle in a fiscal year from more than one Commission.

“(b) SELECTION OF COMMISSION.—A political subdivision included in the region of more than one Commission shall select the Commission with which it will participate by notifying, in writing, the Federal Cochairperson and the appropriate State member of that Commission.

“(c) CHANGES IN SELECTIONS.—The selection of a Commission by a political subdivision shall apply in the fiscal year in which the selection is made, and shall apply in each subsequent fiscal year unless the political subdivision, at least 90 days before the first day of the fiscal year, notifies the Cochairpersons of another Commission in writing that the political subdivision will participate in that Commission and

also transmits a copy of such notification to the Cochairpersons of the Commission in which the political subdivision is currently participating.

“(d) INCLUSION OF APPALACHIAN REGIONAL COMMISSION.—In this section, the term ‘Commission’ includes the Appalachian Regional Commission established under chapter 143.

“§ 15704. Inspector General; records

“(a) APPOINTMENT OF INSPECTOR GENERAL.—There shall be an Inspector General for the Commissions appointed in accordance with section 3(a) of the Inspector General Act of 1978 (5 U.S.C. App.). All of the Commissions shall be subject to a single Inspector General.

“(b) RECORDS OF A COMMISSION.—

“(1) IN GENERAL.—A Commission shall maintain accurate and complete records of all its transactions and activities.

“(2) AVAILABILITY.—All records of a Commission shall be available for audit and examination by the Inspector General (including authorized representatives of the Inspector General).

“(c) RECORDS OF RECIPIENTS OF COMMISSION ASSISTANCE.—

“(1) IN GENERAL.—A recipient of funds from a Commission under this subtitle shall maintain accurate and complete records of transactions and activities financed with the funds and report to the Commission on the transactions and activities.

“(2) AVAILABILITY.—All records required under paragraph (1) shall be available for audit by the Commission and the Inspector General (including authorized representatives of the Commission and the Inspector General).

“(d) ANNUAL AUDIT.—The Inspector General shall audit the activities, transactions, and records of each Commission on an annual basis.

“§ 15705. Biannual meetings of representatives of all Commissions

“(a) IN GENERAL.—Representatives of each Commission, the Appalachian Regional Commission, and the Denali Commission shall meet biannually to discuss issues confronting regions suffering from chronic and contiguous distress and successful strategies for promoting regional development.

“(b) CHAIR OF MEETINGS.—The chair of each meeting shall rotate among the Commissions, with the Appalachian Regional Commission to host the first meeting.

“§ 15706. Relationship to other laws

“Projects receiving assistance under this subtitle shall be treated in the manner provided in section 602 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3212).

“SUBCHAPTER II—DESIGNATION OF REGIONS

“§ 15731. Delta Regional Commission

“The region of the Delta Regional Commission shall consist of the following political subdivisions:

“(1) ALABAMA.—The counties of Barbour, Bullock, Butler, Choctaw, Clarke, Conecuh, Dallas, Escambia, Greene, Hale, Lowndes, Macon, Marengo, Monroe, Perry, Pickens, Russell, Sumter, Washington, and Wilcox in the State of Alabama.

“(2) ARKANSAS.—The counties of Arkansas, Ashley, Baxter, Bradley, Calhoun, Chicot, Clay, Cleveland, Craighead, Crittenden, Cross, Dallas, Desha, Drew, Fulton, Grant, Greene, Independence, Izard, Jackson, Jefferson, Lawrence, Lee, Lincoln, Lonoke, Marion, Mississippi, Monroe, Ouachita, Phillips, Poinsett, Prairie, Pulaski, Randolph, St. Francis, Searcy, Sharp, Stone, Union, Van Buren, White, and Woodruff in the State of Arkansas.

“(3) ILLINOIS.—The counties of Alexander, Franklin, Gallatin, Hamilton, Hardin, Jackson, Johnson, Massac, Perry, Pope, Pulaski, Randolph, Saline, Union, White, and Williamson in the State of Illinois.

“(4) KENTUCKY.—The counties of Ballard, Caldwell, Calloway, Carlisle, Christian, Crittenden, Fulton, Graves, Henderson, Hickman, Hopkins, Livingston, Lyon, Marshall, McCracken, McLean, Muhlenberg, Todd, Trigg, Union, and Webster in the State of Kentucky.

“(5) LOUISIANA.—The parishes of Acadia, Allen, Ascension, Assumption, Avoyelles, Caldwell, Catahoula, Concordia, E. Baton Rouge, E. Carroll, E. Feliciana, Evangeline, Franklin, Grant, Iberia, Iberville, Jackson, Jefferson, Lafourche, LaSalle, Lincoln, Livingston, Madison, Morehouse, Natchitoches, Orleans, Ouachita, Plaquemines, Pointe Coupee, Rapides, Richland, St. Bernard, St. Charles, St. Helena, St. James, St. John the Baptist, St. Landry, St. Martin,

Tangipahoa, Tensas, Union, Washington, W. Baton Rouge, W. Carroll, W. Feliciana, and Winn in the State of Louisiana.

“(6) MISSISSIPPI.—The counties of Adams, Amite, Attala, Benton, Bolivar, Carroll, Claiborne, Coahoma, Copiah, Covington, DeSoto, Franklin, Grenada, Hinds, Holmes, Humphreys, Issaquena, Jefferson, Jefferson Davis, Lafayette, Lawrence, Leflore, Lincoln, Madison, Marion, Marshall, Montgomery, Panola, Pike, Quitman, Rankin, Sharkey, Simpson, Sunflower, Tallahatchie, Tate, Tippah, Tunica, Union, Walthall, Warren, Washington, Wilkinson, Yalobusha, and Yazoo in the State of Mississippi.

“(7) MISSOURI.—The counties Bollinger, Butler, Cape Girardeau, Carter, Crawford, Dent, Douglas, Dunklin, Howell, Iron, Madison, Mississippi, New Madrid, Oregon, Ozark, Pemiscott, Perry, Phelps, Reynolds, Ripley, Ste. Genevieve, St. Francois, Scott, Shannon, Stoddard, Texas, Washington, Wayne, and Wright in the State of Missouri.

“(8) TENNESSEE.—The counties of Benton, Carroll, Chester, Crockett, Decatur, Dyer, Fayette, Gibson, Hardeman, Hardin, Haywood, Henderson, Henry, Lake, Lauderdale, McNairy, Madison, Obion, Shelby, Tipton, and Weakley in the State of Tennessee.

“§ 15732. Northern Great Plains Regional Commission

“The region of the Northern Great Plains Regional Commission shall consist of the following:

“(1) All counties of the States of Iowa, Minnesota, Nebraska, North Dakota, and South Dakota.

“(2) The counties of Andrew, Atchison, Buchanan, Caldwell, Carroll, Chariton, Clay, Clinton, Cooper, Daviess, DeKalb, Gentry, Grundy, Harrison, Holt, Howard, Jackson, Linn, Livingston, Mercer, Nodaway, Platte, Putnam, Schuyler, Sullivan, and Worth in the State of Missouri.

“§ 15733. Southeast Crescent Regional Commission

“The region of the Southeast Crescent Regional Commission shall consist of all counties of the States of Virginia, North Carolina, South Carolina, Georgia, Alabama, Mississippi, and Florida not already served by the Appalachian Regional Commission or the Delta Regional Commission.

“§ 15734. Southwest Border Regional Commission

“The region of the Southwest Border Regional Commission shall consist of the following political subdivisions:

“(1) ARIZONA.—The counties of Cochise, Gila, Graham, Greenlee, La Paz, Maricopa, Pima, Pinal, Santa Cruz, and Yuma in the State of Arizona.

“(2) CALIFORNIA.—The counties of Imperial, Los Angeles, Orange, Riverside, San Bernardino, San Diego, and Ventura in the State of California.

“(3) NEW MEXICO.—The counties of Catron, Chaves, Dona Ana, Eddy, Grant, Hidalgo, Lincoln, Luna, Otero, Sierra, and Socorro in the State of New Mexico.

“(4) TEXAS.—The counties of Atascosa, Bandera, Bee, Bexar, Brewster, Brooks, Cameron, Coke, Concho, Crane, Crockett, Culberson, Dimmit, Duval, Ector, Edwards, El Paso, Frio, Gillespie, Glasscock, Hidalgo, Hudspeth, Irion, Jeff Davis, Jim Hogg, Jim Wells, Karnes, Kendall, Kenedy, Kerr, Kimble, Kinney, Kleberg, La Salle, Live Oak, Loving, Mason, Maverick, McMullen, Medina, Menard, Midland, Nueces, Pecos, Presidio, Reagan, Real, Reeves, San Patricio, Shleicher, Sutton, Starr, Sterling, Terrell, Tom Green Upton, Uvalde, Val Verde, Ward, Webb, Willacy, Wilson, Winkler, Zapata, and Zavala in the State of Texas.

“§ 15735. Northern Border Regional Commission

“The region of the Northern Border Regional Commission shall include the following counties:

“(1) MAINE.—The counties of Androscoggin, Aroostook, Franklin, Hancock, Kennebec, Knox, Oxford, Penobscot, Piscataquis, Somerset, Waldo, and Washington in the State of Maine.

“(2) NEW HAMPSHIRE.—The counties of Carroll, Coos, Grafton, and Sullivan in the State of New Hampshire.

“(3) NEW YORK.—The counties of Cayuga, Clinton, Essex, Franklin, Fulton, Hamilton, Herkimer, Jefferson, Lewis, Madison, Oneida, Oswego, Seneca, and St. Lawrence in the State of New York.

“(4) VERMONT.—The counties of Caledonia, Essex, Franklin, Grand Isle, Lamoille, and Orleans in the State of Vermont.

“SUBCHAPTER III—AUTHORIZATION OF APPROPRIATIONS

“§ 15751. Authorization of appropriations

“(a) IN GENERAL.—There is authorized to be appropriated to each Commission to carry out this subtitle—

- “(1) \$40,000,000 for fiscal year 2008;
- “(2) \$45,000,000 for fiscal year 2009;
- “(3) \$50,000,000 for fiscal year 2010;
- “(4) \$55,000,000 for fiscal year 2011; and
- “(5) \$60,000,000 for fiscal year 2012.

“(b) ADMINISTRATIVE EXPENSES.—Not more than 10 percent of the funds made available to a Commission in a fiscal year under this section may be used for administrative expenses.”

(b) CONFORMING AMENDMENT.—The table of subtitles for chapter 40, United States Code, is amended by striking the item relating to subtitle V and inserting the following:

“V. REGIONAL ECONOMIC AND INFRASTRUCTURE DEVELOPMENT 15101
“VI. MISCELLANEOUS 17101”.

SEC. 4. CONFORMING AMENDMENTS.

(a) REPEALS.—Subtitles F and G of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009aa–2009bb–13) are repealed.

(b) INSPECTOR GENERAL ACT.—Section 11 of the Inspector General Act of 1978 (5 U.S.C. App.) is amended—

(1) in paragraph (1) by striking “or the President of the Export-Import Bank;” and inserting “the President of the Export-Import Bank; or the Federal Cochairpersons of the Commissions established under section 15301 of title 40, United States Code;”; and

(2) in paragraph (2) by striking “or the Export-Import Bank,” and inserting “the Export-Import Bank, or the Commissions established under section 15301 of title 40, United States Code.”

SEC. 5. TRANSFERS OF AUTHORITY AND SAVINGS PROVISIONS.

(a) TRANSFERS OF AUTHORITY.—Subject to the requirements of this Act (including the amendments made by this Act)—

(1) all of the functions of the Delta Regional Authority are transferred to the Delta Regional Commission; and

(2) all of the functions of the Northern Great Plains Regional Authority are transferred to the Northern Great Plains Regional Commission.

(b) LEGAL DOCUMENTS.—All orders, determinations, rules, regulations, grants, loans, contracts, and agreements—

(1) that have been issued, made, granted, or allowed to become effective by the Delta Regional Authority or the Northern Great Plains Regional Authority in the performance of any function that is transferred by this section, and

(2) that are in effect on the effective date of such transfer (or become effective after such date pursuant to their terms as in effect on such effective date), shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by an authorized official, a court of competent jurisdiction, or operation of law.

(c) TRANSFER OF ASSETS AND PERSONNEL.—

(1) DELTA REGIONAL COMMISSION.—There shall be transferred to the Delta Regional Commission such assets, funds, personnel, records, and other property of the Delta Regional Authority relating to the functions of the Authority as the Commission determines appropriate.

(2) NORTHERN GREAT PLAINS REGIONAL COMMISSION.—There shall be transferred to the Northern Great Plains Regional Commission such assets, funds, personnel, records, and other property of the Northern Great Plains Regional Authority as the Commission determines appropriate.

SEC. 6. EFFECTIVE DATE.

This Act, and the amendments made by this Act, shall take effect on the first day of the first fiscal year beginning after the date of enactment of this Act.

PURPOSE OF THE LEGISLATION

H.R. 3246 provides a comprehensive regional approach to economic and infrastructure development in the most severely economically distressed regions in the nation.

BACKGROUND AND NEED FOR LEGISLATION

H.R. 3246, the “Regional Economic and Infrastructure Development Act of 2007”, authorizes five regional economic development commissions under a common framework of administration and management, and provides a structure for economic development decision-making and planning. These commissions are designed to address problems of systemic poverty and underdevelopment in their respective regions. The five commissions are the Delta Regional Commission, the Northern Great Plains Regional Commission, the Southeast Crescent Regional Commission, the Southwest Border Regional Commission, and the Northern Border Regional Commission.

This bill models the administrative and management procedures for these five commissions after the highly successful Appalachian Regional Commission. The bill establishes commission membership, voting structure, and staffing; outlines conditions for financial assistance; authorizes grants to local development districts; establishes an Inspector General for the commissions; and other provisions designed to produce a standard administrative framework. By providing a uniform set of procedures, this bill provides a consistent method for distributing economic development funds throughout the regions most in need of such assistance and ensures a comprehensive regional approach to economic and infrastructure development in the most severely distressed regions in the country.

The Delta Regional Commission and the Northern Great Plains Regional Commission are existing entities that are reauthorized in this legislation. The Southeast Crescent Regional Commission, the Southwest Border Regional Commission, and the Northern Border Regional Commission have been proposed in legislation introduced in this and previous Congresses.

The Southeastern region of the United States includes the coastal and central portions of the seven Southeastern States from Virginia to Mississippi. Approximately 40 percent of the counties in this region have had 20 percent or more of their citizens living in poverty, on average, during the last 30 years. Additionally, this region has experienced natural disasters at a rate of two to three times greater than any other region of the U.S. The Southeastern United States is one of the last areas of the country without a Federal authority dedicated to ending poverty and strengthening communities. The Southeast Crescent Authority will be a valuable tool to assist State and local officials, county development organizations, and many others in providing resources and leveraging additional funds to assist communities with the greatest need.

The Southwest border region includes all counties within 150 miles of the U.S.-Mexico border. The Interagency Task Force on the Economic Development of the Southwest Border found that 20 percent of the residents in this region live below the poverty level. Unemployment rates often reach as high as five times the national unemployment rate and a lack of adequate access to capital has created economic disparities that have made it difficult for businesses to start up in the region. Border communities have long endured a depressed economy and low-paying jobs. The Southwest Border Regional Commission will help foster planning to encourage infrastructure development, technology development and deploy-

ment, education and workforce development, and community development through entrepreneurship.

The Northern Border region stretches from Maine to New York. While abundant in natural resources and rich in potential, this region lags behind much of the nation in its economic growth. In this region, 12.5 percent of the population lives in poverty with the median household income more than \$6,500 below the national average. Due to this region's historic reliance on a few basic industries and agriculture, unemployment through layoffs in traditional manufacturing industries is persistent. In addition, this region has experienced virtually no population growth with the population increasing by only 0.6 percent between 1990 and 2000, while the U.S. population rose by 13.2 percent. The Northern Border Regional Commission will assist in supporting traditional industries while fostering new industry in the region. The Commission, in cooperation with appropriate local, State, and Federal officials, is encouraged to initiate a special resource study for northern Maine to examine land use, ownership, and development trends, and to propose options for future management, ownership, conservation, and development of land to maximize job creation and ecological value.

SUMMARY OF THE LEGISLATION

Section 1. Short title

Section 1 denotes the short title of the bill as the "Regional Economic and Infrastructure Development Act of 2007".

Section 2. Findings and purposes

Section 2 lists the findings and purposes of the Act. Economically distressed regions can suffer unemployment and poverty at a rate that is 150 percent of the national average. Regional commissions are unique Federal-State partnerships that can provide targeted resources to alleviate pervasive economic distress. The purpose of this Act is to provide a regional approach to economic and infrastructure development, and to ensure that the most severely distressed regions have the necessary tools to develop the basic building blocks for economic development, such as transportation and basic infrastructure.

Section 3. Regional economic and infrastructure development

Section 3(a) amends Title 40, United States Code, by redesignating subtitle V as subtitle VI and inserting after subtitle IV a new Subtitle V, "Regional Economic and Infrastructure". The new subtitle includes new chapter 151—General Provisions, new chapter 153—Regional Commissions, new chapter 155—Financial Assistance, and new chapter 157—Administrative Provisions.

CHAPTER 151—GENERAL PROVISIONS

Section 15101 defines several terms, including "Commission", "Local Development District", "Federal grant program", "Indian tribe", "nonprofit entity", and "region".

CHAPTER 153—REGIONAL COMMISSIONS

Section 15301 establishes the Delta Regional Commission, the Northern Great Plains Regional Commission, the Southeast Cres-

cent Regional Commission, the Southwest Border Regional Commission, and the Northern Border Regional Commission.

This section also establishes the membership of each Commission. Each Commission includes a Federal Cochairperson, appointed by the President and confirmed by the Senate. The Federal Cochairperson will appoint an alternate Federal Cochairperson. The membership of the Commission also includes the Governors of each State in the region that elects to participate in the Commission. The State Cochairperson is a Governor of a participating State in the region. The State Cochairperson will serve for a term of not less than a year.

Each State member may have a single alternate, who is appointed by the Governor of the State from among the Governor's cabinet. The alternate will vote in the event of the absence, death, disability, removal, or resignation of the appointing member.

The Federal Cochairperson will be compensated at level III of the Executive Schedule as set out in Section 5314 of Title 5, United States Code. The Alternate Federal Cochairperson will be compensated at level V of the Executive Schedule as set out Section 5316 of Title 5, United States Code. A State will compensate each member and alternate on the commission at the rate established by State law.

Each Commission may appoint and fix the compensation of an executive director to carry out the duties of the Commission. The compensation for the executive director will not exceed the maximum rate for the Senior Executive Service under Section 5382 of title 5, United States Code. The executive director will be responsible for carrying out the administrative duties of the Commission, directing the Commission staff, and other duties that the Commission assigns to the director. No member, alternate, officer, or employee of a Commission (other than the Federal Cochairperson, the alternate Federal Cochairperson, staff of the Federal Cochairperson, and any Federal employee detailed on the Commission) will be considered to be a Federal employee for any purpose.

Section 15302 requires that all approval decisions must receive the vote of the Federal Cochairperson and a majority of the State members. The Federal Cochairperson shall, to the extent practicable, consult with Federal departments and agencies having an interest in the matter. A Commission shall determine what constitutes a quorum for Commission meetings except that any quorum shall include the Federal Cochairperson or the alternate Federal Cochairperson and a State alternate member shall not be counted toward the establishment of a quorum. The approval of project and grant proposals shall be a responsibility of each Commission and shall be carried out in accordance with Section 15503.

Section 15303 requires each State member to submit a development plan for the area of the region represented by the State member. The State development plan will reflect the goals, objectives, and priorities in the regional development plan. In carrying out the development planning process, a State shall consult with local development districts, local units of government, and universities and take into account the goals, objectives, and recommendations of these entities. Within one year after the date of enactment of this Act and after taking into account State plans developed under section 15502, each Commission shall establish priorities in an eco-

conomic and infrastructure development plan for its region, including five-year regional outcome targets. The Commission shall, to the extent practicable, encourage and assist public participation in the plans and programs of the Commission.

Section 15304 authorizes the Commission to hold hearings, take testimony under oath, and request information from State and Federal agencies; adopt, amend, and repeal bylaws and rules governing the conduct of Commission; request the head of any Federal department or of any State agency or local government to detail to the Commission personnel needed to carry out the duties of the Commission; provide Commission employees with retirement and other benefits; accept, use, and dispose of gifts; enter into contracts to carry out Commission duties; establish a central office and field offices for the Commission; and provide an appropriate level of representation in Washington, D.C.

The Federal Government shall pay 50 percent of the administrative expenses of the Commission and the States participating in the Commission shall pay 50 percent of such expenses. Each State's share of the administrative expenses shall be determined by a unanimous vote of the State members of the Commission. If a State is delinquent in payment of its share of administrative expenses, no assistance will be provided by the Commission, nor will that State be allowed to participate or vote in any action by the Commission.

Federal agencies are required to cooperate with the Commission and provide appropriate assistance, in accordance with applicable Federal laws.

Section 15305 requires each Commission to hold an initial meeting no later than 180 days after the date of enactment of this Act. Each Commission shall conduct at least one meeting each year with the Federal Cochairperson and at least a majority of the State members present. Each Commission shall conduct additional meetings at such times as it determines and may conduct such meetings by electronic means.

Section 15306 prohibits any State member, alternate, official, or employee of the Commission, their immediate family, organization, or organization for which the employee has an arrangement concerning prospective employment, from participating personally or substantially in a matter in which the employee has a financial interest. A conflict of interest can be overcome by full disclosure to the Commission and a subsequent determination by the Commission that the matter will not substantially affect the integrity of the work of the Commission. Any person that violates this subsection is subject to criminal penalties and fines.

A State will compensate each member and alternate on the Commission at the rate established by State law. No State member or alternate member can receive any additional compensation for service on the Commission from any other source besides the State.

No person detailed to serve on the Commission from a State agency shall receive any salary or any contribution to or supplementation of salary for services provided to the Commission from the Commission or any other source besides the agency from which the person was detailed. Any person that violates this provision is subject to criminal penalties.

Section 15307 specifies that, in addition to the members listed in Section 15301(b)(1), the membership of the Northern Great Plains

Regional Commission shall include a Tribal Cochairperson to be appointed by the President and confirmed by the Senate. The Tribal Cochairperson will be a member of an Indian tribe in the Commission's region.

In addition to the Federal Cochairperson and State Cochairperson, the Commission shall be headed by the Tribal Cochairperson, who will serve as a liaison between the governments of Indian tribes in the region and the Commission. The President will also appoint an alternate to the Tribal Cochairperson.

The alternate Tribal Cochairperson will vote in case of the absence, death, disability, removal, or resignation of the Tribal Cochairperson. The Tribal Cochairperson will be compensated by the Federal Government at level III of the Executive Schedule as set out in Section 5314 of Title 5, United States Code. The Tribal Cochairperson's alternate shall be compensated by the Federal Government at level V of the Executive Schedule as set out in Section 5316 of Title 5. All expenses of the Tribal Cochairperson, the alternate, and staff of the Tribal Cochairperson shall be paid by the Federal Government and with exception to compensation and expenses of the Tribal Cochairperson, who will have the same duties and privileges as the State Cochairperson.

Section 15308 requires that governments of Indian tribes in the region of the Northern Great Plains Regional Commission or the Southwest Border Regional Commission be allowed to participate in matters in the same manner and to the same extent as State agencies and instrumentalities in the region.

Section 15309 requires that not less than 90 days after the last day of each fiscal year, each Commission shall submit to the President and Congress a report on the activities carried out by the Commission in the past fiscal year. The report shall include a description of the criteria used by the Commission to designate counties under Section 15702, a list of the counties designated in each category, an evaluation of the progress of the Commission in meeting the goals identified in the Commission's economic and infrastructure development plan, and any policy recommendations approved by the Commission.

CHAPTER 155—FINANCIAL ASSISTANCE

Section 15501 authorizes each Commission to make grants to States and local governments, Indian tribes, and public or nonprofit organizations for projects, approved in accordance with Section 15503, to develop infrastructure in the region, including transportation, public, and telecommunications infrastructure; assist the region in obtaining job skills training; provide assistance to severely economically distressed and underdeveloped areas that lack financial resources for improving basic health care and other public services; promote resource conservation; promote the development of renewable and alternative energy sources; and other measures to achieve the purposes of this subtitle.

The Commission shall allocate at least 40 percent of any grant amounts provided for transportation, public, or telecommunications infrastructure for the region. The Commission may use amounts appropriated to carry out this Act to fund a project or activity under a Federal grant program in the region in an amount that is above the fixed maximum portion of the cost of the project other-

wise authorized by applicable law, but may not exceed 50 percent of the costs of the project, except for distressed counties or regional projects. The maximum contribution for a project or activity to be carried out in a distressed county may be increased to 80 percent. A Commission may increase the maximum grant for a project from 50 percent to 60 percent under the normal criteria of section 15501 and from 80 percent to 90 percent for a distressed county if the project or activity involves three or more counties or more than one State and the Commission determines in accordance with Section 15302(a) that the project or activity will bring significant inter-state or multi-county benefits to a region.

Funds provided by a Commission for a program or activity can only be used under this section if the Commission determines that the level of Federal or State financial assistance provided under a law other than this subtitle, for the same type of program or project in the same area of the State within the region, will not be reduced as a result of funds made available by this subtitle.

Financial assistance authorized by this section may not be used to assist a person or entity in relocating from one area to another.

Section 15502 requires each State member of the Commission to submit a comprehensive economic and infrastructure development plan for the area of the region represented by the State member. A State economic and infrastructure development plan shall reflect the goals, objectives, and priorities identified in any applicable economic and infrastructure development plan developed by a Commission under Section 15303. In carrying out the development planning process, a State shall consult with local development districts, local units of government, local colleges and universities and then take into consideration the goals, objectives, priorities and recommendations of these entities.

Each Commission and applicable State and local development districts shall encourage and assist in public participation in the development, revision and implementation of all plans and programs. Each Commission is also required to develop guidelines for providing public participation, including public hearings.

Section 15503 mandates that an application to a Commission for a grant or any other assistance for a project shall be made through, and evaluated for approval by, the State member of the Commission representing the applicant. An application to a Commission for a grant or project shall be eligible for assistance only on certification by the State member that the application for the project describes ways in which the project complies with any applicable State economic and infrastructure development plan, meets applicable criteria under Section 15504, adequately ensures that the project will be properly administered, operated, and maintained and otherwise meets the requirements for assistance under this subtitle.

Upon certification by a State member of a Commission of an application for a grant or other assistance for a specific project under this section, an affirmative vote of the Commission under Section 15302 shall be required for approval of the application.

Section 15504 requires each Commission, in considering programs and projects to be provided assistance and in establishing a priority ranking of the requests for assistance, to consider: the relationship of the project or class of projects to overall regional devel-

opment; the per capita income and poverty and unemployment and out migration rates in an area; the financial resources available to the applicants for assistance seeking to carry out the project; the importance of the project in relation to the other projects that may be in competition for the same funds; the prospects that the project will improve opportunities for employment, the average level of income, or the economic development of the area on a continuing basis; and the extent to which the project design provides for detailed outcome measurements by which grant expenditures and the results of the expenditures may be evaluated.

Section 15505 authorizes the Commission to make grants to a local development district to assist in the payment of development planning and administrative expenses. In the case of a State agency certified as a local development district, a grant may not be awarded to the agency under this section for more than three fiscal years. The contributions of a local development district for administrative expenses may be in cash or in-kind services including space, equipment, and services.

A local development district shall operate as a lead organization serving multi-county areas in the region at the local level and serve as a liaison between the State and local governments, nonprofit organizations, the business community, and citizens that are involved in multi-jurisdictional planning; provide technical assistance; and provide leadership and civic development assistance.

Section 15506 authorizes supplements to Federal grant programs because certain States and local communities, including local development districts, may be unable to take maximum advantage of Federal grant programs for which they are eligible because they lack the economic resources to provide the required State or local matching share. Supplemental funds may also provide necessary funds for a projection to be carried out in the region when there are insufficient funds available under the applicable Federal law.

A Commission, with the approval of the Federal Cochairperson, may use amounts made available to carry out this section for any part of the basic Federal contribution to projects or activities under the Federal grant programs authorized by Federal laws and to increase the Federal contribution to projects and activities under the programs above the fixed maximum part of the cost of the projects or activities otherwise authorized by the applicable law.

For a project for which any part of the basic Federal contribution to the project or activity under a Federal grant program is proposed to be made under this section, the Federal contribution shall not be made until the responsible Federal official administering the Federal law authorizing the Federal contribution certifies that the program, project, or activity meets the applicable requirements of the Federal law and could be approved for Federal contribution under that law if amounts were available under the law for the program, project, or activity. Amounts provided pursuant to this subtitle are available without regard to any limitations on areas eligible for assistance or authorizations for appropriation in any other law.

The Federal share of the cost of a project or activity receiving assistance under this section shall not exceed 80 percent. Section 15501(d), relating to limitations on Commission contributions, shall

apply to a program, project, or activity receiving assistance under this section.

CHAPTER 157—ADMINISTRATIVE PROVISIONS

Section 15701 clarifies that a State is not required to engage in or accept a program under this Act without its consent.

Section 15702 establishes the designation of distressed, transitional, and attainment counties and isolated areas of distress in the region. Not later than 90 days after the date of enactment of this Act, and annually thereafter, each Commission shall designate counties under four categories. These categories will include distressed counties, defined as counties that are the most severely and persistently economically distressed and underdeveloped and have high rates of poverty, unemployment, or out migration; transitional counties, defined as counties in its region that are economically distressed and underdeveloped or have recently suffered high rates of poverty, unemployment, or out migration; attainment counties, or counties in its region that are not designated as distressed or transitional counties; and isolated areas of distress, defined as areas located in counties designated as attainment counties that have high rates of poverty, unemployment, or out migration.

A Commission shall allocate at least 50 percent of the appropriations made available to the Commission to carry out this subtitle for programs and projects designed to serve the needs of distressed counties and isolated areas of distress in the region.

No funds may be provided for a county designated as an attainment county except for funding the administrative expenses of local development districts under section 15505, a multi-county project that includes participation of the attainment county, and other projects if a Commission determines that the project could bring significant benefits to areas of the region outside the attainment county.

For a designation of an isolated area of distress to be effective, the designation shall be supported by the most recent Federal data available or if no recent Federal data are available, by the most recent data available.

Section 15703 clarifies that counties are not eligible for assistance in more than one region. A political subdivision included in the region of more than one Commission shall select the Commission with which it will participate by notifying, in writing, the Federal Cochairperson and the appropriate State member of the Commission. The selection of a Commission by a political subdivision shall apply in the fiscal year in which the selection is made and shall apply in each subsequent fiscal year unless the political subdivision, at least 90 days before the first day of the fiscal year, notifies another Commission in writing that the political subdivision will participate in that Commission and also transmits a copy of such notification to the Commission in which the political subdivision is currently participating. In this section, the term "Commission" includes the Appalachian Regional Commission.

Section 15704 establishes an Inspector General for Commissions, appointed in accordance with the Inspector General Act of 1978. All of the Commissions shall be subject to a single Inspector General. Each Commission shall maintain accurate and complete records of all transactions and activities of the Commission and make them

available to the Inspector General for audit and examination. The Inspector General shall audit the activities, transactions, and records of each Commission on an annual basis.

Section 15705 requires representatives of each Commission, the Appalachian Regional Commission, and the Denali Commission to meet biannually to discuss issues confronting regions suffering from chronic and contiguous distress and successful strategies for promoting regional development. The chair of each meeting shall rotate among the Commissions, with the Appalachian Regional Commission to host the first meeting.

Section 15706 requires that projects receiving assistance under this subtitle shall be treated in the manner provided in section 602 of the Public Works and Economic Development Act of 1965.

Section 15731 defines the region of the Delta Regional Commission as consisting of the following political subdivisions:

(1) ALABAMA—The counties of Barbour, Bullock, Butler, Choctaw, Clarke, Conecuh, Dallas, Escambia, Greene, Hale, Lowndes, Macon, Marengo, Monroe, Perry, Pickens, Russell, Sumter, Washington, and Wilcox in the State of Alabama.

(2) ARKANSAS—The counties of Arkansas, Ashley, Baxter, Bradley, Calhoun, Chicot, Clay, Cleveland, Craighead, Crittenden, Cross, Dallas, Desha, Drew, Fulton, Grant, Greene, Independence, Izard, Jackson, Jefferson, Lawrence, Lee, Lincoln, Lonoke, Marion, Mississippi, Monroe, Ouachita, Phillips, Poinsett, Prairie, Pulaski, Randolph, St. Francis, Searcy, Sharp, Stone, Union, Van Buren, White, and Woodruff in the State of Arkansas.

(3) ILLINOIS—The counties of Alexander, Franklin, Gallatin, Hamilton, Hardin, Jackson, Johnson, Massac, Perry, Pope, Pulaski, Randolph, Saline, Union, White, and Williamson in the State of Illinois.

(4) KENTUCKY—The counties of Ballard, Caldwell, Calloway, Carlisle, Christian, Crittenden, Fulton, Graves, Henderson, Hickman, Hopkins, Livingston, Lyon, Marshall, McCracken, McLean, Muhlenberg, Todd, Trigg, Union, and Webster in the State of Kentucky.

(5) LOUISIANA—The parishes of Acadia, Allen, Ascension, Assumption, Avoyelles, Caldwell, Catahoula, Concordia, E. Baton Rouge, E. Carroll, E. Feliciana, Evangeline, Franklin, Grant, Iberia, Iberville, Jackson, Jefferson, Lafourche, La Salle, Lincoln, Livingston, Madison, Morehouse, Natchitoches, Orleans, Ouachita, Plaquemines, Pointe Coupee, Rapides, Richland, St. Bernard, St. Charles, St. Helena, St. James, St. John the Baptist, St. Landry, St. Martin, Tangipahoa, Tensas, Union, Washington, W. Baton Rouge, W. Carroll, W. Feliciana, and Winn in the State of Louisiana.

(6) MISSISSIPPI—The counties of Adams, Amite, Attala, Benton, Bolivar, Carroll, Claiborne, Coahoma, Copiah, Covington, Desoto, Franklin, Grenada, Hinds, Holmes, Humphreys, Issaquena, Jefferson, Jefferson Davis, Lafayette, Lawrence, Leflore, Lincoln, Madison, Marion, Marshall, Montgomery, Panola, Pike, Quitman, Rankin, Sharkey, Simpson, Sunflower, Tallahatchie, Tate, Tippah, Tunica, Union, Walthall, Warren, Washington, Wilkinson, Yalobusha, and Yazoo in the State of Mississippi.

(7) MISSOURI—The counties Bollinger, Butler, Cape Girardeau, Carter, Crawford, Dent, Douglas, Dunklin, Howell, Iron, Madison,

Mississippi, New Madrid, Oregon, Ozark, Pemiscott, Perry, Phelps, Reynolds, Ripley, Ste. Genevieve, St. Francois, Scott, Shannon, Stoddard, Texas, Washington, Wayne, and Wright in the State of Missouri.

(8) TENNESSEE—The counties of Benton, Carroll, Chester, Crockett, Decatur, Dyer, Fayette, Gibson, Hardeman, Hardin, Haywood, Henderson, Henry, Lake, Lauderdale, McNairy, Madison, Obion, Shelby, Tipton, and Weakley in the State of Tennessee.

Section 15732 defines the region of Northern Great Plains Regional Commission as consisting of all counties of the States of Iowa, Minnesota, Nebraska, North Dakota, and South Dakota, and 26 counties of Missouri.

Section 15733 defines the region of the Southeast Crescent Regional Commission as consisting of all counties of the States of Virginia, North Carolina, South Carolina, Georgia, Alabama, Mississippi, and Florida not already served by the Appalachian Regional Commission or the Delta Regional Commission.

Section 15734 defines the region of the Southwest Border Regional Commission as consisting of the following political subdivisions:

(1) ARIZONA—The counties of Cochise, Gila, Graham, Greenlee, La Paz, Maricopa, Pima, Pinal, Santa Cruz, and Yuma in the State of Arizona.

(2) CALIFORNIA—The counties of Imperial, Los Angeles, Orange, Riverside, San Bernardino, San Diego, and Ventura in the State of California.

(3) NEW MEXICO—The counties of Catron, Chaves, Dona Ana, Eddy, Grant, Hidalgo, Lincoln, Luna, Otero, Sierra, and Socorro in the State of New Mexico.

(4) TEXAS—The counties of Atascosa, Bandera, Bee, Bexar, Brewster, Brooks, Cameron, Coke, Concho, Crane, Crockett, Culberson, Dimmit, Duval, Ector, Edwards, El Paso, Frio, Gillespie, Glasscock, Hidalgo, Hudspeth, Irion, Jeff Davis, Jim Hogg, Jim Wells, Karnes, Kendall, Kennedy, Kerr, Kimble, Kinney, Kleberg, La Salle, Live Oak, Loving, Mason, Maverick, McMullen, Medina, Menard, Midland, Nueces, Pecos, Presidio, Reagan, Real, Reeves, San Patricio, Shleicher, Sutton, Starr, Sterling, Terrell, Tom Green, Upton, Uvalde, Val Verde, Ward, Webb, Willacy, Wilson, Winkler, Zapata, and Zavala in the State of Texas.

Section 15735 defines the region of the Northern Border Regional Commission to include the following counties:

(1) MAINE—The counties of Androscoggin, Aroostook, Franklin, Hancock, Kennebec, Knox, Oxford, Penobscot, Piscataquis, Somerset, Waldo, and Washington in the State of Maine.

(2) NEW HAMPSHIRE—The counties of Carroll, Coos, Grafton, and Sullivan in the State of New Hampshire.

(3) NEW YORK—The counties of Cayuga, Clinton, Essex, Franklin, Fulton, Hamilton, Herkimer, Jefferson, Lewis, Madison, Oneida, Oswego, Seneca, and St. Lawrence in the State of New York.

(4) VERMONT—The counties of Caledonia, Essex, Franklin, Grand Isle, Lamoille, and Orleans in the State of Vermont.

Section 15751 authorizes \$40,000,000 for fiscal year 2008; \$45,000,000 for fiscal year 2009; \$50,000,000 for fiscal year 2010; \$55,000,000 for fiscal year 2011; and \$60,000,000 for fiscal year 2012 to be appropriated to each Commission to carry out this sub-

title. Not more than 10 percent of the funds made available to a Commission in a fiscal year under this Section may be used for administrative expenses.

Section 4. Conforming amendments

This section makes necessary and conforming amendments to the bill, including repeal of Subtitles F and G of the Consolidated Farm and Rural Development Act and amendment of Section 11 of the Inspector General Act of 1978.

Section 5. Transfers of authority and savings provisions

Section 5 transfers all functions of the Delta Regional Authority to the Delta Regional Commission and transfers all functions of the Northern Great Plains Regional Authority to the Northern Great Plains Regional Commission.

Any assets, funds, personnel, records, and other property of the Delta Regional Authority or the Northern Great Plains Regional Authority relating to the functions of the Authorities shall be transferred to the Delta Regional Commission and the Northern Great Plains Regional Commission, respectively, as the Commissions determine appropriate.

Section 6. Effective date

This Act and its amendments shall take effect on the first day of the first fiscal year beginning after the date of enactment.

LEGISLATIVE HISTORY AND COMMITTEE CONSIDERATION

In the 109th Congress, Chairman Oberstar introduced H.R. 1349, the “Regional Economic and Infrastructure Development Act of 2005”.

On January 4, 2007, Representative McIntyre introduced H.R. 66, the “Southeast Crescent Authority Act of 2007”. On March 15, 2007, Representative Hodes introduced H.R. 1548, the “Northern Border Economic Development Commission Act of 2007”. On April 26, 2007, Representative Reyes introduced H.R. 2068, the “Southwest Regional Border Authority Act”.

On July 31, 2007, Chairman Oberstar introduced H.R. 3246, the “Regional Economic and Infrastructure Development Act of 2007”.

On August 1, 2007, the Subcommittee on Economic Development, Public Buildings, and Emergency Management met in open session and recommended H.R. 3246 favorably to the Committee on Transportation and Infrastructure.

On August 2, 2007, the Committee on Transportation and Infrastructure met in open session to consider H.R. 3246, the “Regional Economic and Infrastructure Development Act of 2007”. Two amendments were adopted by voice vote: an amendment to make technical corrections to the bill and an amendment to add certain counties in Missouri to the Northern Great Plains Regional Commission. The Committee ordered H.R. 3246, as amended, reported favorably to the House by voice vote.

RECORD VOTES

Clause 3(b) of rule XIII of the House of Representatives requires each committee report to include the total number of votes cast for

and against on each record vote on a motion to report and on any amendment offered to the measure or matter, and the names of those members voting for and against. There were no recorded votes taken in connection with any amendment to H.R. 3246 or with ordering H.R. 3246, as amended, reported. A motion to order H.R. 3246, as amended, reported favorably to the House was agreed to by voice vote with a quorum present.

COMMITTEE OVERSIGHT FINDINGS

With respect to the requirements of clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in this report.

COST OF LEGISLATION

Clause 3(c)(2) of rule XIII of the Rules of the House of Representatives does not apply where a cost estimate and comparison prepared by the Director of the Congressional Budget Office under Section 402 of the Congressional Budget Act of 1974 has been timely submitted prior to the filing of the report and is included in the report. Such a cost estimate is included in this report.

COMPLIANCE WITH HOUSE RULE XIII

1. With respect to the requirement of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, and Section 308(a) of the Congressional Budget Act of 1974, the Committee references the report of the Congressional Budget Office included in the report.

2. With respect to the requirement of clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the performance goals and objectives of this legislation are to provide a comprehensive regional approach to economic and infrastructure development in the most severely economically distressed regions in the nation.

3. With respect to the requirement of clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and Section 402 of the Congressional Budget Act of 1974, the Committee has received the enclosed cost estimate for H.R. 3246 as amended from the Director of the Congressional Budget Office:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, August 22, 2007.

Hon. JAMES L. OBERSTAR,
Chairman, Committee on Transportation and Infrastructure, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 3246, the Regional Economic and Infrastructure Development Act of 2007.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Daniel Hoople.

Sincerely,

PETER R. ORSZAG,
Director.

Enclosure.

H.R. 3246—Regional Economic and Infrastructure Development Act of 2007

Summary: H.R. 3246 would authorize the appropriation of \$1.25 billion over the 2008–2012 period to establish five regional commissions that would award grants to state and local governments, Indian tribes, and nonprofit organizations to promote economic and infrastructure development among member states.

Assuming the appropriation of the specified amounts, CBO estimates that implementing H.R. 3246 would cost \$655 million over the 2008–2012 period. Enacting this bill would not affect direct spending or revenues.

H.R. 3246 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

Estimated cost to the Federal Government: The estimated budgetary impact of H.R. 3246 is shown in the following table. The costs of this legislation fall within budget function 450 (community and regional development).

	By fiscal year, in millions of dollars—					
	2007	2008	2009	2010	2011	2012
SPENDING SUBJECT TO APPROPRIATION						
Spending for Regional Commissions Under Current Law: ¹						
Budget Authority	12	0	0	0	0	0
Estimated Outlays	7	7	6	4	2	1
Proposed Changes:						
Authorization Level	0	200	225	250	275	300
Estimated Outlays	0	10	60	145	200	240
Spending for Regional Commissions Under H.R. 3246:						
Authorization Level	12	200	225	250	275	300
Estimated Outlays	7	17	66	149	202	241

¹ In 2007, the Delta Regional Authority (from which the Delta Regional Commission would be derived) received an appropriation of \$12 million. The Northern Great Plains Regional Authority (from which the Northern Great Plains Regional Commission would be derived) received no appropriation in 2007.

Basis of estimate: For this estimate, CBO assumes that the bill will be enacted near the end of fiscal year 2007 and that the amounts specified by the bill will be appropriated for each fiscal year.

H.R. 3246 would authorize the appropriation of \$1.25 billion over the 2008–2012 period to establish the Delta Regional Commission, the Northern Great Plains Regional Commission, the Southeast Crescent Regional Commission, the Southwest Border Regional Commission, and the Northern Border Regional Commission. The functions of two existing entities—the Delta Regional Authority and the Northern Great Plains Regional Authority—would be transferred to the new commissions established by the legislation for those regions. In addition, under the bill, the Northern Great Plains Region would be expanded to include 26 counties in the state of Missouri.

H.R. 3246 would direct the five regional commissions to award grants to state and local governments, Indian tribes, and nonprofit organizations to promote economic and infrastructure development. At least 40 percent of the authorized funds would be used for grants to develop transportation, telecommunications, and other basic public infrastructure. Remaining funds would be used for other economic development activities, such as providing job train-

ing, improving public services, and promoting conservation, tourism, and development of renewable and alternative energy projects.

Based on historical spending patterns of similar regional commissions, CBO estimates that implementing H.R. 3246 would cost \$655 million over the 2008–2012 period and \$595 million after 2012, assuming appropriation of the specified funds.

Intergovernmental and private-sector impact: H.R. 3246 contains no intergovernmental or private-sector mandates as defined in UMRA. Assuming appropriation of the authorized amounts, CBO estimates that \$655 million would be spent under the bill over the 2008–2012 period for economic and regional development. Most of that amount would be for grants to state, local, and tribal governments. Any costs to those governments would be incurred voluntarily as a condition of receiving federal assistance.

Estimate prepared by: Federal Costs: Daniel Hoople; Impact on State, Local, and Tribal Governments: Melissa Merrell; Impact on the Private Sector: Amy Petz.

Estimate approved by: Peter H. Fontaine, Assistant Director for Budget Analysis.

COMPLIANCE WITH HOUSE RULE XXI

Pursuant to clause 9 of rule XXI of the Rules of the House of Representatives, H.R. 3246, as amended, does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(d), 9(e), or 9(f) of rule XXI of the Rules of the House of Representatives.

CONSTITUTIONAL AUTHORITY STATEMENT

Pursuant to clause 3(d)(1) of rule XIII of the Rules of the House of Representatives, committee reports on a bill or joint resolution of a public character shall include a Statement citing the specific powers granted to the Congress in the Constitution to enact the measure. The Committee on Transportation and Infrastructure finds that Congress has the authority to enact this measure pursuant to its powers granted under article I, Section 8 of the Constitution.

FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to Section 423 of the Unfunded Mandates Reform Act (Public Law 104–4).

PREEMPTION CLARIFICATION

Section 423 of the Congressional Budget Act of 1974 requires the report of any Committee on a bill or joint resolution to include a Statement on the extent to which the bill or joint resolution is intended to preempt State, local, or tribal law. The Committee states that H.R. 3246, as amended, does not preempt any State, local, or tribal law.

ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of Section 5(b) of the Federal Advisory Committee Act are created by this legislation.

APPLICABILITY TO THE LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of Section 102(b)(3) of the Congressional Accountability Act (Public Law 104–1).

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in *italic*, existing law in which no change is proposed is shown in roman):

TITLE 40, UNITED STATES CODE

SUBTITLE	Sec.
I. FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES	101
* * * * *	
IV. MISCELLANEOUS	17101
V. <i>REGIONAL ECONOMIC AND INFRASTRUCTURE DEVELOPMENT</i>	15101
VI. MISCELLANEOUS	17101
* * * * *	

Subtitle V—Regional Economic and Infrastructure Development

Chapter	Sec.
151. GENERAL PROVISIONS	15101
153. REGIONAL COMMISSIONS	15301
155. FINANCIAL ASSISTANCE	15501
157. ADMINISTRATIVE PROVISIONS	15701

CHAPTER 151—GENERAL PROVISIONS

Sec.
15101. Definitions.

§ 15101. Definitions

In this subtitle, the following definitions apply:

(1) *COMMISSION.*—The term “Commission” means a Commission established under section 15301.

(2) *LOCAL DEVELOPMENT DISTRICT.*—The term “local development district” means an entity that—

(A)(i) is an economic development district that is—

(I) in existence on the date of enactment of this chapter; and

(II) located in the region; or

(ii) if an entity described in clause (i) does not exist—

(I) is organized and operated in a manner that ensures broad-based community participation and an effective opportunity for local officials, community lead-

ers, and the public to contribute to the development and implementation of programs in the region;

(II) is governed by a policy board with at least a simple majority of members consisting of—

(aa) elected officials; or

(bb) designees or employees of a general purpose unit of local government that have been appointed to represent the unit of local government; and

(III) is certified by the Governor or appropriate State officer as having a charter or authority that includes the economic development of counties, portions of counties, or other political subdivisions within the region; and

(B) has not, as certified by the Federal Cochairperson—

(i) inappropriately used Federal grant funds from any Federal source; or

(ii) appointed an officer who, during the period in which another entity inappropriately used Federal grant funds from any Federal source, was an officer of the other entity.

(3) **FEDERAL GRANT PROGRAM.**—The term “Federal grant program” means a Federal grant program to provide assistance in carrying out economic and community development activities.

(4) **INDIAN TRIBE.**—The term “Indian tribe” has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

(5) **NONPROFIT ENTITY.**—The term “nonprofit entity” means any entity with tax-exempt or nonprofit status, as defined by the Internal Revenue Service, that has been formed for the purpose of economic development.

(6) **REGION.**—The term “region” means the area covered by a Commission as described in subchapter II of chapter 157.

CHAPTER 153—REGIONAL COMMISSIONS

Sec.

15301. Establishment, membership, and employees.

15302. Decisions.

15303. Functions.

15304. Administrative powers and expenses.

15305. Meetings.

15306. Personal financial interests.

15307. Tribal representation on Northern Great Plains Regional Commission.

15308. Tribal participation.

15309. Annual report.

§ 15301. Establishment, membership, and employees

(a) **ESTABLISHMENT.**—There are established the following regional Commissions:

(1) *The Delta Regional Commission.*

(2) *The Northern Great Plains Regional Commission.*

(3) *The Southeast Crescent Regional Commission.*

(4) *The Southwest Border Regional Commission.*

(5) *The Northern Border Regional Commission.*

(b) **MEMBERSHIP.**—

(1) **FEDERAL AND STATE MEMBERS.**—Each Commission shall be composed of the following members:

(A) A Federal Cochairperson, to be appointed by the President, by and with the advice and consent of the Senate.

(B) The Governor of each participating State in the region of the Commission.

(2) ALTERNATE MEMBERS.—

(A) ALTERNATE FEDERAL COCHAIRPERSON.—The President shall appoint an alternate Federal Cochairperson for each Commission. The alternate Federal Cochairperson, when not actively serving as an alternate for the Federal Cochairperson, shall perform such functions and duties as are delegated by the Federal Cochairperson.

(B) STATE ALTERNATES.—The State member of a participating State may have a single alternate, who shall be appointed by the Governor of the State from among the members of the Governor's cabinet or personal staff.

(C) VOTING.—An alternate member shall vote in the case of the absence, death, disability, removal, or resignation of the Federal or State member for which the alternate member is an alternate.

(3) COCHAIRPERSONS.—A Commission shall be headed by—

(A) the Federal Cochairperson, who shall serve as a liaison between the Federal Government and the Commission; and

(B) a State Cochairperson, who shall be a Governor of a participating State in the region and shall be elected by the State members for a term of not less than 1 year.

(4) CONSECUTIVE TERMS.—A State member may not be elected to serve as State Cochairperson for more than 2 consecutive terms.

(c) COMPENSATION.—

(1) FEDERAL COCHAIRPERSONS.—Each Federal Cochairperson shall be compensated by the Federal Government at level III of the Executive Schedule as set out in section 5314 of title 5.

(2) ALTERNATE FEDERAL COCHAIRPERSONS.—Each Federal Cochairperson's alternate shall be compensated by the Federal Government at level V of the Executive Schedule as set out in section 5316 of title 5.

(3) STATE MEMBERS AND ALTERNATES.—Each State member and alternate shall be compensated by the State that they represent at the rate established by the laws of that State.

(d) EXECUTIVE DIRECTOR AND STAFF.—

(1) IN GENERAL.—A Commission shall appoint and fix the compensation of an executive director and such other personnel as are necessary to enable the Commission to carry out its duties. Compensation under this paragraph may not exceed the maximum rate of basic pay established for the Senior Executive Service under section 5382 of title 5, including any applicable locality-based comparability payment that may be authorized under section 5304(h)(2)(C) of that title.

(2) EXECUTIVE DIRECTOR.—The executive director shall be responsible for carrying out the administrative duties of the Commission, directing the Commission staff, and such other duties as the Commission may assign.

(e) *NO FEDERAL EMPLOYEE STATUS.*—No member, alternate, officer, or employee of a Commission (other than the Federal Cochairperson, the alternate Federal Cochairperson, staff of the Federal Cochairperson, and any Federal employee detailed to the Commission) shall be considered to be a Federal employee for any purpose.

§ 15302. Decisions

(a) *REQUIREMENTS FOR APPROVAL.*—Except as provided in section 15304(c)(3), decisions by the Commission shall require the affirmative vote of the Federal Cochairperson and a majority of the State members (exclusive of members representing States delinquent under section 15304(c)(3)(C)).

(b) *CONSULTATION.*—In matters coming before the Commission, the Federal Cochairperson shall, to the extent practicable, consult with the Federal departments and agencies having an interest in the subject matter.

(c) *QUORUMS.*—A Commission shall determine what constitutes a quorum for Commission meetings; except that—

(1) any quorum shall include the Federal Cochairperson or the alternate Federal Cochairperson; and

(2) a State alternate member shall not be counted toward the establishment of a quorum.

(d) *PROJECTS AND GRANT PROPOSALS.*—The approval of project and grant proposals shall be a responsibility of each Commission and shall be carried out in accordance with section 15503.

§ 15303. Functions

A Commission shall—

(1) assess the needs and assets of its region based on available research, demonstration projects, investigations, assessments, and evaluations of the region prepared by Federal, State, and local agencies, universities, local development districts, and other nonprofit groups;

(2) develop, on a continuing basis, comprehensive and coordinated economic and infrastructure development strategies to establish priorities and approve grants for the economic development of its region, giving due consideration to other Federal, State, and local planning and development activities in the region;

(3) not later than one year after the date of enactment of this section, and after taking into account State plans developed under section 15502, establish priorities in an economic and infrastructure development plan for its region, including 5-year regional outcome targets;

(4)(A) enhance the capacity of, and provide support for, local development districts in its region; or

(B) if no local development district exists in an area in a participating State in the region, foster the creation of a local development district;

(5) encourage private investment in industrial, commercial, and other economic development projects in its region;

(6) cooperate with and assist State governments with the preparation of economic and infrastructure development plans and programs for participating States;

(7) *formulate and recommend to the Governors and legislatures of States that participate in the Commission forms of interstate cooperation and, where appropriate, international cooperation; and*

(8) *work with State and local agencies in developing appropriate model legislation to enhance local and regional economic development.*

§ 15304. Administrative powers and expenses

(a) *POWERS.—In carrying out its duties under this subtitle, a Commission may—*

(1) *hold such hearings, sit and act at such times and places, take such testimony, receive such evidence, and print or otherwise reproduce and distribute a description of the proceedings and reports on actions by the Commission as the Commission considers appropriate;*

(2) *authorize, through the Federal or State Cochairperson or any other member of the Commission designated by the Commission, the administration of oaths if the Commission determines that testimony should be taken or evidence received under oath;*

(3) *request from any Federal, State, or local agency such information as may be available to or procurable by the agency that may be of use to the Commission in carrying out the duties of the Commission;*

(4) *adopt, amend, and repeal bylaws and rules governing the conduct of business and the performance of duties by the Commission;*

(5) *request the head of any Federal agency, State agency, or local government to detail to the Commission such personnel as the Commission requires to carry out its duties, each such detail to be without loss of seniority, pay, or other employee status;*

(6) *provide for coverage of Commission employees in a suitable retirement and employee benefit system by making arrangements or entering into contracts with any participating State government or otherwise providing retirement and other employee coverage;*

(7) *accept, use, and dispose of gifts or donations or services or real, personal, tangible, or intangible property;*

(8) *enter into and perform such contracts, cooperative agreements, or other transactions as are necessary to carry out Commission duties, including any contracts or cooperative agreements with a department, agency, or instrumentality of the United States, a State (including a political subdivision, agency, or instrumentality of the State), or a person, firm, association, or corporation; and*

(9) *maintain a government relations office in the District of Columbia and establish and maintain a central office at such location in its region as the Commission may select.*

(b) *FEDERAL AGENCY COOPERATION.—A Federal agency shall—*

(1) *cooperate with a Commission; and*

(2) *provide, to the extent practicable, on request of the Federal Cochairperson, appropriate assistance in carrying out this sub-*

title, in accordance with applicable Federal laws (including regulations).

(c) **ADMINISTRATIVE EXPENSES.**—

(1) **IN GENERAL.**—Subject to paragraph (2), the administrative expenses of a Commission shall be paid—

(A) by the Federal Government, in an amount equal to 50 percent of the administrative expenses of the Commission; and

(B) by the States participating in the Commission, in an amount equal to 50 percent of the administrative expenses.

(2) **EXPENSES OF THE FEDERAL COCHAIRPERSON.**—All expenses of the Federal Cochairperson, including expenses of the alternate and staff of the Federal Cochairperson, shall be paid by the Federal Government.

(3) **STATE SHARE.**—

(A) **IN GENERAL.**—Subject to subparagraph (B), the share of administrative expenses of a Commission to be paid by each State of the Commission shall be determined by a unanimous vote of the State members of the Commission.

(B) **NO FEDERAL PARTICIPATION.**—The Federal Cochairperson shall not participate or vote in any decision under subparagraph (A).

(C) **DELINQUENT STATES.**—During any period in which a State is more than 1 year delinquent in payment of the State's share of administrative expenses of the Commission under this subsection—

(i) no assistance under this subtitle shall be provided to the State (including assistance to a political subdivision or a resident of the State) for any project not approved as of the date of the commencement of the delinquency; and

(ii) no member of the Commission from the State shall participate or vote in any action by the Commission.

(4) **EFFECT ON ASSISTANCE.**—A State's share of administrative expenses of a Commission under this subsection shall not be taken into consideration when determining the amount of assistance provided to the State under this subtitle.

§ 15305. Meetings

(a) **INITIAL MEETING.**—Each Commission shall hold an initial meeting not later than 180 days after the date of enactment of this section.

(b) **ANNUAL MEETING.**—Each Commission shall conduct at least 1 meeting each year with the Federal Cochairperson and at least a majority of the State members present.

(c) **ADDITIONAL MEETINGS.**—Each Commission shall conduct additional meetings at such times as it determines and may conduct such meetings by electronic means.

§ 15306. Personal financial interests

(a) **CONFLICTS OF INTEREST.**—

(1) **NO ROLE ALLOWED.**—Except as permitted by paragraph (2), an individual who is a State member or alternate, or an officer or employee of a Commission, shall not participate person-

ally and substantially as a member, alternate, officer, or employee of the Commission, through decision, approval, disapproval, recommendation, request for a ruling, or other determination, contract, claim, controversy, or other matter in which, to the individual's knowledge, any of the following has a financial interest:

(A) The individual.

(B) The individual's spouse, minor child, or partner.

(C) An organization (except a State or political subdivision of a State) in which the individual is serving as an officer, director, trustee, partner, or employee.

(D) Any person or organization with whom the individual is negotiating or has any arrangement concerning prospective employment.

(2) *EXCEPTION.*—Paragraph (1) shall not apply if the individual, in advance of the proceeding, application, request for a ruling or other determination, contract, claim controversy, or other particular matter presenting a potential conflict of interest—

(A) advises the Commission of the nature and circumstances of the matter presenting the conflict of interest;

(B) makes full disclosure of the financial interest; and

(C) receives a written decision of the Commission that the interest is not so substantial as to be considered likely to affect the integrity of the services that the Commission may expect from the individual.

(3) *VIOLATION.*—An individual violating this subsection shall be fined under title 18, imprisoned for not more than 1 year, or both.

(b) *STATE MEMBER OR ALTERNATE.*—A State member or alternate member may not receive any salary, or any contribution to, or supplementation of, salary, for services on a Commission from a source other than the State of the member or alternate.

(c) *DETAILED EMPLOYEES.*—

(1) *IN GENERAL.*—No person detailed to serve a Commission shall receive any salary, or any contribution to, or supplementation of, salary, for services provided to the Commission from any source other than the State, local, or intergovernmental department or agency from which the person was detailed to the Commission.

(2) *VIOLATION.*—Any person that violates this subsection shall be fined under title 18, imprisoned not more than 1 year, or both.

(d) *FEDERAL COCHAIRMAN, ALTERNATE TO FEDERAL COCHAIRMAN, AND FEDERAL OFFICERS AND EMPLOYEES.*—The Federal Cochairman, the alternate to the Federal Cochairman, and any Federal officer or employee detailed to duty with the Commission are not subject to this section but remain subject to sections 202 through 209 of title 18.

(e) *RESCISSION.*—A Commission may declare void any contract, loan, or grant of or by the Commission in relation to which the Commission determines that there has been a violation of any provision under subsection (a)(1), (b), or (c), or any of the provisions of sections 202 through 209 of title 18.

§ 15307. Tribal representation on Northern Great Plains Regional Commission

(a) TRIBAL COCHAIRPERSON.—

(1) APPOINTMENT.—In addition to the members specified in section 15301(b)(1), the membership of the Northern Great Plains Regional Commission shall include a Tribal Cochairperson, to be appointed by the President, by and with the advice and consent of the Senate. The Tribal Cochairperson shall be a member of an Indian tribe in the Commission's region.

(2) DUTIES.—In addition to the Federal Cochairperson and State Cochairperson, the Commission shall be headed by the Tribal Cochairperson, who shall serve as a liaison between the governments of Indian tribes in the region and the Commission.

(b) ALTERNATE TRIBAL COCHAIRPERSON.—

(1) APPOINTMENT.—The President shall appoint an alternate to the Tribal Cochairperson.

(2) DUTIES.—The alternate Tribal Cochairperson, when not actively serving as an alternate for the Tribal Cochairperson, shall perform such functions and duties as are delegated by the Tribal Cochairperson.

(3) VOTING.—The alternate Tribal Cochairperson shall vote in the case of the absence, death, disability, removal, or resignation of the Tribal Cochairperson.

(c) COMPENSATION.—

(1) TRIBAL COCHAIRPERSON.—The Tribal Cochairperson shall be compensated by the Federal Government at level III of the Executive Schedule as set out in section 5314 of title 5.

(2) ALTERNATE TRIBAL COCHAIRPERSON.—The Tribal Cochairperson's alternate shall be compensated by the Federal Government at level V of the Executive Schedule as set out in section 5316 of title 5.

(d) EXPENSES OF TRIBAL COCHAIRPERSON.—All expenses of the Tribal Cochairperson, including expenses of the alternate and staff of the Tribal Cochairperson, shall be paid by the Federal Government.

(e) DUTIES AND PRIVILEGES.—Except as provided in subsections (c) and (d), the Tribal Cochairperson shall have the same duties and privileges as the State Cochairperson.

§ 15308. Tribal participation

Governments of Indian tribes in the region of the Northern Great Plains Regional Commission or the Southwest Border Regional Commission shall be allowed to participate in matters before that Commission in the same manner and to the same extent as State agencies and instrumentalities in the region.

§ 15309. Annual report

(a) IN GENERAL.—Not later than 90 days after the last day of each fiscal year, each Commission shall submit to the President and Congress a report on the activities carried out by the Commission under this subtitle in the fiscal year.

(b) CONTENTS.—The report shall include—

(1) a description of the criteria used by the Commission to designate counties under section 15702 and a list of the counties designated in each category;

(2) *an evaluation of the progress of the Commission in meeting the goals identified in the Commission's economic and infrastructure development plan under section 15303 and State economic and infrastructure development plans under section 15502; and*

(3) *any policy recommendations approved by the Commission.*

CHAPTER 155—FINANCIAL ASSISTANCE

Sec.

15501. *Economic and infrastructure development grants.*

15502. *Comprehensive economic and infrastructure development plans.*

15503. *Approval of applications for assistance.*

15504. *Program development criteria.*

15505. *Local development districts and organizations.*

15506. *Supplements to Federal grant programs.*

§ 15501. Economic and infrastructure development grants

(a) *IN GENERAL.*—A Commission may make grants to States and local governments, Indian tribes, and public and nonprofit organizations for projects, approved in accordance with section 15503—

(1) *to develop the transportation infrastructure of its region;*

(2) *to develop the basic public infrastructure of its region;*

(3) *to develop the telecommunications infrastructure of its region;*

(4) *to assist its region in obtaining job skills training, skills development and employment-related education, entrepreneurship, technology, and business development;*

(5) *to provide assistance to severely economically distressed and underdeveloped areas of its region that lack financial resources for improving basic health care and other public services;*

(6) *to promote resource conservation, tourism, recreation, and preservation of open space in a manner consistent with economic development goals;*

(7) *to promote the development of renewable and alternative energy sources; and*

(8) *to otherwise achieve the purposes of this subtitle.*

(b) *ALLOCATION OF FUNDS.*—A Commission shall allocate at least 40 percent of any grant amounts provided by the Commission in a fiscal year for projects described in paragraphs (1) through (3) of subsection (a).

(c) *SOURCES OF GRANTS.*—Grant amounts may be provided entirely from appropriations to carry out this subtitle, in combination with amounts available under other Federal grant programs, or from any other source.

(d) *MAXIMUM COMMISSION CONTRIBUTIONS.*—

(1) *IN GENERAL.*—Subject to paragraphs (2) and (3), the Commission may contribute not more than 50 percent of a project or activity cost eligible for financial assistance under this section from amounts appropriated to carry out this subtitle.

(2) *DISTRESSED COUNTIES.*—The maximum Commission contribution for a project or activity to be carried out in a county for which a distressed county designation is in effect under section 15702 may be increased to 80 percent.

(3) *SPECIAL RULE FOR REGIONAL PROJECTS.*—A Commission may increase to 60 percent under paragraph (1) and 90 percent

under paragraph (2) the maximum Commission contribution for a project or activity if—

(A) the project or activity involves 3 or more counties or more than one State; and

(B) the Commission determines in accordance with section 15302(a) that the project or activity will bring significant interstate or multicounty benefits to a region.

(e) MAINTENANCE OF EFFORT.—Funds may be provided by a Commission for a program or project in a State under this section only if the Commission determines that the level of Federal or State financial assistance provided under a law other than this subtitle, for the same type of program or project in the same area of the State within region, will not be reduced as a result of funds made available by this subtitle.

(f) NO RELOCATION ASSISTANCE.—Financial assistance authorized by this section may not be used to assist a person or entity in relocating from one area to another.

§ 15502. Comprehensive economic and infrastructure development plans

(a) STATE PLANS.—In accordance with policies established by a Commission, each State member of the Commission shall submit a comprehensive economic and infrastructure development plan for the area of the region represented by the State member.

(b) CONTENT OF PLAN.—A State economic and infrastructure development plan shall reflect the goals, objectives, and priorities identified in any applicable economic and infrastructure development plan developed by a Commission under section 15303.

(c) CONSULTATION WITH INTERESTED LOCAL PARTIES.—In carrying out the development planning process (including the selection of programs and projects for assistance), a State shall—

(1) consult with local development districts, local units of government, and local colleges and universities; and

(2) take into consideration the goals, objectives, priorities, and recommendations of the entities described in paragraph (1).

(d) PUBLIC PARTICIPATION.—

(1) IN GENERAL.—A Commission and applicable State and local development districts shall encourage and assist, to the maximum extent practicable, public participation in the development, revision, and implementation of all plans and programs under this subtitle.

(2) GUIDELINES.—A Commission shall develop guidelines for providing public participation, including public hearings.

§ 15503. Approval of applications for assistance

(a) EVALUATION BY STATE MEMBER.—An application to a Commission for a grant or any other assistance for a project under this subtitle shall be made through, and evaluated for approval by, the State member of the Commission representing the applicant.

(b) CERTIFICATION.—An application to a Commission for a grant or other assistance for a project under this subtitle shall be eligible for assistance only on certification by the State member of the Commission representing the applicant that the application for the project—

- (1) describes ways in which the project complies with any applicable State economic and infrastructure development plan;
- (2) meets applicable criteria under section 15504;
- (3) adequately ensures that the project will be properly administered, operated, and maintained; and
- (4) otherwise meets the requirements for assistance under this subtitle.

(c) *VOTES FOR DECISIONS.*—On certification by a State member of a Commission of an application for a grant or other assistance for a specific project under this section, an affirmative vote of the Commission under section 15302 shall be required for approval of the application.

§ 15504. Program development criteria

(a) *IN GENERAL.*—In considering programs and projects to be provided assistance by a Commission under this subtitle, and in establishing a priority ranking of the requests for assistance provided to the Commission, the Commission shall follow procedures that ensure, to the maximum extent practicable, consideration of—

- (1) the relationship of the project or class of projects to overall regional development;
- (2) the per capita income and poverty and unemployment and outmigration rates in an area;
- (3) the financial resources available to the applicants for assistance seeking to carry out the project, with emphasis on ensuring that projects are adequately financed to maximize the probability of successful economic development;
- (4) the importance of the project or class of projects in relation to the other projects or classes of projects that may be in competition for the same funds;
- (5) the prospects that the project for which assistance is sought will improve, on a continuing rather than a temporary basis, the opportunities for employment, the average level of income, or the economic development of the area to be served by the project; and
- (6) the extent to which the project design provides for detailed outcome measurements by which grant expenditures and the results of the expenditures may be evaluated.

§ 15505. Local development districts and organizations

(a) *GRANTS TO LOCAL DEVELOPMENT DISTRICTS.*—Subject to the requirements of this section, a Commission may make grants to a local development district to assist in the payment of development planning and administrative expenses.

(b) *CONDITIONS FOR GRANTS.*—

- (1) *MAXIMUM AMOUNT.*—The amount of a grant awarded under this section may not exceed 80 percent of the administrative and planning expenses of the local development district receiving the grant.
- (2) *MAXIMUM PERIOD FOR STATE AGENCIES.*—In the case of a State agency certified as a local development district, a grant may not be awarded to the agency under this section for more than 3 fiscal years.

(3) *LOCAL SHARE.*—The contributions of a local development district for administrative expenses may be in cash or in kind, fairly evaluated, including space, equipment, and services.

(c) *DUTIES OF LOCAL DEVELOPMENT DISTRICTS.*—A local development district shall—

(1) operate as a lead organization serving multicounty areas in the region at the local level;

(2) assist the Commission in carrying out outreach activities for local governments, community development groups, the business community, and the public;

(3) serve as a liaison between State and local governments, nonprofit organizations (including community-based groups and educational institutions), the business community, and citizens; and

(4) assist the individuals and entities described in paragraph (3) in identifying, assessing, and facilitating projects and programs to promote the economic development of the region.

§ 15506. Supplements to Federal grant programs

(a) *FINDING.*—Congress finds that certain States and local communities of the region, including local development districts, may be unable to take maximum advantage of Federal grant programs for which the States and communities are eligible because—

(1) they lack the economic resources to provide the required matching share; or

(2) there are insufficient funds available under the applicable Federal law with respect to a project to be carried out in the region.

(b) *FEDERAL GRANT PROGRAM FUNDING.*—A Commission, with the approval of the Federal Cochairperson, may use amounts made available to carry out this subtitle—

(1) for any part of the basic Federal contribution to projects or activities under the Federal grant programs authorized by Federal laws; and

(2) to increase the Federal contribution to projects and activities under the programs above the fixed maximum part of the cost of the projects or activities otherwise authorized by the applicable law.

(c) *CERTIFICATION REQUIRED.*—For a program, project, or activity for which any part of the basic Federal contribution to the project or activity under a Federal grant program is proposed to be made under subsection (b), the Federal contribution shall not be made until the responsible Federal official administering the Federal law authorizing the Federal contribution certifies that the program, project, or activity meets the applicable requirements of the Federal law and could be approved for Federal contribution under that law if amounts were available under the law for the program, project, or activity.

(d) *LIMITATIONS IN OTHER LAWS INAPPLICABLE.*—Amounts provided pursuant to this subtitle are available without regard to any limitations on areas eligible for assistance or authorizations for appropriation in any other law.

(e) *FEDERAL SHARE.*—The Federal share of the cost of a project or activity receiving assistance under this section shall not exceed 80 percent.

(f) *MAXIMUM COMMISSION CONTRIBUTION.*—Section 15501(d), relating to limitations on Commission contributions, shall apply to a program, project, or activity receiving assistance under this section.

CHAPTER 157—ADMINISTRATIVE PROVISIONS

SUBCHAPTER I—GENERAL PROVISIONS

Sec.

- 15701. *Consent of States.*
- 15702. *Distressed counties and areas.*
- 15703. *Counties eligible for assistance in more than one region.*
- 15704. *Inspector General; records.*
- 15705. *Biannual meetings of representatives of all Commissions.*
- 15706. *Relationship to other laws.*

SUBCHAPTER II—DESIGNATION OF REGIONS

- 15731. *Delta Regional Commission.*
- 15732. *Northern Great Plains Regional Commission.*
- 15733. *Southeast Crescent Regional Commission.*
- 15734. *Southwest Border Regional Commission.*
- 15735. *Northern Border Regional Commission.*

SUBCHAPTER III—AUTHORIZATION OF APPROPRIATIONS

- 15751. *Authorization of appropriations.*

SUBCHAPTER I—GENERAL PROVISIONS

§ 15701. Consent of States

This subtitle does not require a State to engage in or accept a program under this subtitle without its consent.

§ 15702. Distressed counties and areas

(a) *DESIGNATIONS.*—Not later than 90 days after the date of enactment of this section, and annually thereafter, each Commission shall make the following designations:

(1) *DISTRESSED COUNTIES.*—The Commission shall designate as distressed counties those counties in its region that are the most severely and persistently economically distressed and underdeveloped and have high rates of poverty, unemployment, or outmigration.

(2) *TRANSITIONAL COUNTIES.*—The Commission shall designate as transitional counties those counties in its region that are economically distressed and underdeveloped or have recently suffered high rates of poverty, unemployment, or outmigration.

(3) *ATTAINMENT COUNTIES.*—The Commission shall designate as attainment counties, those counties in its region that are not designated as distressed or transitional counties under this subsection.

(4) *ISOLATED AREAS OF DISTRESS.*—The Commission shall designate as isolated areas of distress, areas located in counties designated as attainment counties under paragraph (3) that have high rates of poverty, unemployment, or outmigration.

(b) *ALLOCATION.*—A Commission shall allocate at least 50 percent of the appropriations made available to the Commission to carry out this subtitle for programs and projects designed to serve the needs of distressed counties and isolated areas of distress in the region.

(c) *ATTAINMENT COUNTIES.*—

(1) *IN GENERAL.*—Except as provided in paragraph (2), funds may not be provided under this subtitle for a project located in a county designated as an attainment county under subsection (a).

(2) *EXCEPTIONS.*—

(A) *ADMINISTRATIVE EXPENSES OF LOCAL DEVELOPMENT DISTRICTS.*—The funding prohibition under paragraph (1) shall not apply to grants to fund the administrative expenses of local development districts under section 15505.

(B) *MULTICOUNTY AND OTHER PROJECTS.*—A Commission may waive the application of the funding prohibition under paragraph (1) with respect to—

(i) a multicounty project that includes participation by an attainment county; and

(ii) any other type of project, if a Commission determines that the project could bring significant benefits to areas of the region outside an attainment county.

(3) *ISOLATED AREAS OF DISTRESS.*—For a designation of an isolated area of distress to be effective, the designation shall be supported—

(A) by the most recent Federal data available; or

(B) if no recent Federal data are available, by the most recent data available through the government of the State in which the isolated area of distress is located.

§ 15703. Counties eligible for assistance in more than one region

(a) *LIMITATION.*—A political subdivision of a State may not receive assistance under this subtitle in a fiscal year from more than one Commission.

(b) *SELECTION OF COMMISSION.*—A political subdivision included in the region of more than one Commission shall select the Commission with which it will participate by notifying, in writing, the Federal Cochairperson and the appropriate State member of that Commission.

(c) *CHANGES IN SELECTIONS.*—The selection of a Commission by a political subdivision shall apply in the fiscal year in which the selection is made, and shall apply in each subsequent fiscal year unless the political subdivision, at least 90 days before the first day of the fiscal year, notifies the Cochairpersons of another Commission in writing that the political subdivision will participate in that Commission and also transmits a copy of such notification to the Cochairpersons of the Commission in which the political subdivision is currently participating.

(d) *INCLUSION OF APPALACHIAN REGIONAL COMMISSION.*—In this section, the term “Commission” includes the Appalachian Regional Commission established under chapter 143.

§ 15704. Inspector General; records

(a) *APPOINTMENT OF INSPECTOR GENERAL.*—There shall be an Inspector General for the Commissions appointed in accordance with section 3(a) of the Inspector General Act of 1978 (5 U.S.C. App.). All of the Commissions shall be subject to a single Inspector General.

(b) *RECORDS OF A COMMISSION.*—

(1) *IN GENERAL.*—A Commission shall maintain accurate and complete records of all its transactions and activities.

(2) *AVAILABILITY.*—All records of a Commission shall be available for audit and examination by the Inspector General (including authorized representatives of the Inspector General).

(c) *RECORDS OF RECIPIENTS OF COMMISSION ASSISTANCE.*—

(1) *IN GENERAL.*—A recipient of funds from a Commission under this subtitle shall maintain accurate and complete records of transactions and activities financed with the funds and report to the Commission on the transactions and activities.

(2) *AVAILABILITY.*—All records required under paragraph (1) shall be available for audit by the Commission and the Inspector General (including authorized representatives of the Commission and the Inspector General).

(d) *ANNUAL AUDIT.*—The Inspector General shall audit the activities, transactions, and records of each Commission on an annual basis.

§ 15705. Biannual meetings of representatives of all Commissions

(a) *IN GENERAL.*—Representatives of each Commission, the Appalachian Regional Commission, and the Denali Commission shall meet biannually to discuss issues confronting regions suffering from chronic and contiguous distress and successful strategies for promoting regional development.

(b) *CHAIR OF MEETINGS.*—The chair of each meeting shall rotate among the Commissions, with the Appalachian Regional Commission to host the first meeting.

§ 15706. Relationship to other laws

Projects receiving assistance under this subtitle shall be treated in the manner provided in section 602 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3212).

SUBCHAPTER II—DESIGNATION OF REGIONS

§ 15731. Delta Regional Commission

The region of the Delta Regional Commission shall consist of the following political subdivisions:

(1) *ALABAMA.*—The counties of Barbour, Bullock, Butler, Choctaw, Clarke, Conecuh, Dallas, Escambia, Greene, Hale, Lowndes, Macon, Marengo, Monroe, Perry, Pickens, Russell, Sumter, Washington, and Wilcox in the State of Alabama.

(2) *ARKANSAS.*—The counties of Arkansas, Ashley, Baxter, Bradley, Calhoun, Chicot, Clay, Cleveland, Craighead, Crittenden, Cross, Dallas, Desha, Drew, Fulton, Grant, Greene, Independence, Izard, Jackson, Jefferson, Lawrence, Lee, Lincoln, Lonoke, Marion, Mississippi, Monroe, Ouachita, Phillips, Poinsett, Prairie, Pulaski, Randolph, St. Francis, Searcy, Sharp, Stone, Union, Van Buren, White, and Woodruff in the State of Arkansas.

(3) *ILLINOIS.*—The counties of Alexander, Franklin, Gallatin, Hamilton, Hardin, Jackson, Johnson, Massac, Perry, Pope, Pu-

laski, Randolph, Saline, Union, White, and Williamson in the State of Illinois.

(4) *KENTUCKY.*—*The counties of Ballard, Caldwell, Calloway, Carlisle, Christian, Crittenden, Fulton, Graves, Henderson, Hickman, Hopkins, Livingston, Lyon, Marshall, McCracken, McLean, Muhlenberg, Todd, Trigg, Union, and Webster in the State of Kentucky.*

(5) *LOUISIANA.*—*The parishes of Acadia, Allen, Ascension, Assumption, Avoyelles, Caldwell, Catahoula, Concordia, E. Baton Rouge, E. Carroll, E. Feliciana, Evangeline, Franklin, Grant, Iberia, Iberville, Jackson, Jefferson, Lafourche, LaSalle, Lincoln, Livingston, Madison, Morehouse, Natchitoches, Orleans, Ouachita, Plaquemines, Pointe Coupee, Rapides, Richland, St. Bernard, St. Charles, St. Helena, St. James, St. John the Baptist, St. Landry, St. Martin, Tangipahoa, Tensas, Union, Washington, W. Baton Rouge, W. Carroll, W. Feliciana, and Winn in the State of Louisiana.*

(6) *MISSISSIPPI.*—*The counties of Adams, Amite, Attala, Benton, Bolivar, Carroll, Claiborne, Coahoma, Copiah, Covington, DeSoto, Franklin, Grenada, Hinds, Holmes, Humphreys, Issaquena, Jefferson, Jefferson Davis, Lafayette, Lawrence, Leflore, Lincoln, Madison, Marion, Marshall, Montgomery, Panola, Pike, Quitman, Rankin, Sharkey, Simpson, Sunflower, Tallahatchie, Tate, Tippah, Tunica, Union, Walthall, Warren, Washington, Wilkinson, Yalobusha, and Yazoo in the State of Mississippi.*

(7) *MISSOURI.*—*The counties Bollinger, Butler, Cape Girardeau, Carter, Crawford, Dent, Douglas, Dunklin, Howell, Iron, Madison, Mississippi, New Madrid, Oregon, Ozark, Pemiscott, Perry, Phelps, Reynolds, Ripley, Ste. Genevieve, St. Francois, Scott, Shannon, Stoddard, Texas, Washington, Wayne, and Wright in the State of Missouri.*

(8) *TENNESSEE.*—*The counties of Benton, Carroll, Chester, Crockett, Decatur, Dyer, Fayette, Gibson, Hardeman, Hardin, Haywood, Henderson, Henry, Lake, Lauderdale, McNairy, Madison, Obion, Shelby, Tipton, and Weakley in the State of Tennessee.*

§ 15732. Northern Great Plains Regional Commission

The region of the Northern Great Plains Regional Commission shall consist of the following:

(1) *All counties of the States of Iowa, Minnesota, Nebraska, North Dakota, and South Dakota.*

(2) *The counties of Andrew, Atchison, Buchanan, Caldwell, Carroll, Chariton, Clay, Clinton, Cooper, Daviess, DeKalb, Gentry, Grundy, Harrison, Holt, Howard, Jackson, Linn, Livingston, Mercer, Nodaway, Platte, Putnam, Schuyler, Sullivan, and Worth in the State of Missouri.*

§ 15733. Southeast Crescent Regional Commission

The region of the Southeast Crescent Regional Commission shall consist of all counties of the States of Virginia, North Carolina, South Carolina, Georgia, Alabama, Mississippi, and Florida not already served by the Appalachian Regional Commission or the Delta Regional Commission.

§ 15734. Southwest Border Regional Commission

The region of the Southwest Border Regional Commission shall consist of the following political subdivisions:

(1) *ARIZONA.*—The counties of Cochise, Gila, Graham, Greenlee, La Paz, Maricopa, Pima, Pinal, Santa Cruz, and Yuma in the State of Arizona.

(2) *CALIFORNIA.*—The counties of Imperial, Los Angeles, Orange, Riverside, San Bernardino, San Diego, and Ventura in the State of California.

(3) *NEW MEXICO.*—The counties of Catron, Chaves, Dona Ana, Eddy, Grant, Hidalgo, Lincoln, Luna, Otero, Sierra, and Socorro in the State of New Mexico.

(4) *TEXAS.*—The counties of Atascosa, Bandera, Bee, Bexar, Brewster, Brooks, Cameron, Coke, Concho, Crane, Crockett, Culberson, Dimmit, Duval, Ector, Edwards, El Paso, Frio, Gillespie, Glasscock, Hidalgo, Hudspeth, Irion, Jeff Davis, Jim Hogg, Jim Wells, Karnes, Kendall, Kenedy, Kerr, Kimble, Kinney, Kleberg, La Salle, Live Oak, Loving, Mason, Maverick, McMullen, Medina, Menard, Midland, Nueces, Pecos, Presidio, Reagan, Real, Reeves, San Patricio, Shleicher, Sutton, Starr, Sterling, Terrell, Tom Green Upton, Uvalde, Val Verde, Ward, Webb, Willacy, Wilson, Winkler, Zapata, and Zavala in the State of Texas.

§ 15735. Northern Border Regional Commission

The region of the Northern Border Regional Commission shall include the following counties:

(1) *MAINE.*—The counties of Androscoggin, Aroostook, Franklin, Hancock, Kennebec, Knox, Oxford, Penobscot, Piscataquis, Somerset, Waldo, and Washington in the State of Maine.

(2) *NEW HAMPSHIRE.*—The counties of Carroll, Coos, Grafton, and Sullivan in the State of New Hampshire.

(3) *NEW YORK.*—The counties of Cayuga, Clinton, Essex, Franklin, Fulton, Hamilton, Herkimer, Jefferson, Lewis, Madison, Oneida, Oswego, Seneca, and St. Lawrence in the State of New York.

(4) *VERMONT.*—The counties of Caledonia, Essex, Franklin, Grand Isle, Lamoille, and Orleans in the State of Vermont.

SUBCHAPTER III—AUTHORIZATION OF APPROPRIATIONS

§ 15751. Authorization of appropriations

(a) *IN GENERAL.*—There is authorized to be appropriated to each Commission to carry out this subtitle—

- (1) \$40,000,000 for fiscal year 2008;
- (2) \$45,000,000 for fiscal year 2009;
- (3) \$50,000,000 for fiscal year 2010;
- (4) \$55,000,000 for fiscal year 2011; and
- (5) \$60,000,000 for fiscal year 2012.

(b) *ADMINISTRATIVE EXPENSES.*—Not more than 10 percent of the funds made available to a Commission in a fiscal year under this section may be used for administrative expenses.

SUBTITLE [V] VI—MISCELLANEOUS

* * * * *

CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT

* * * * *

TITLE III—AGRICULTURAL CREDIT

SEC. 301. (a) This title may be cited as the “Consolidated Farm and Rural Development Act”.

* * * * *

[Subtitle F—Delta Regional Authority

SEC. 382A. DEFINITIONS.

[In this subtitle:

[(1) **AUTHORITY.**—The term “Authority” means the Delta Regional Authority established by section 382B.

[(2) **REGION.**—The term “region” means the Lower Mississippi (as defined in section 4 of the Delta Development Act (42 U.S.C. 3121 note; Public Law 100–460)).

[(3) **FEDERAL GRANT PROGRAM.**—The term “Federal grant program” means a Federal grant program to provide assistance in—

[(A) acquiring or developing land;

[(B) constructing or equipping a highway, road, bridge, or facility; or

[(C) carrying out other economic development activities.

SEC. 382B. DELTA REGIONAL AUTHORITY.

[(a) **ESTABLISHMENT.**—

[(1) **IN GENERAL.**—There is established the Delta Regional Authority.

[(2) **COMPOSITION.**—The Authority shall be composed of—

[(A) a Federal member, to be appointed by the President, with the advice and consent of the Senate; and

[(B) the Governor (or a designee of the Governor) of each State in the region that elects to participate in the Authority.

[(3) **COCHAIRPERSONS.**—The Authority shall be headed by—

[(A) the Federal member, who shall serve—

[(i) as the Federal cochairperson; and

[(ii) as a liaison between the Federal Government and the Authority; and

[(B) a State cochairperson, who—

[(i) shall be a Governor of a participating State in the region; and

[(ii) shall be elected by the State members for a term of not less than 1 year.

[(b) **ALTERNATE MEMBERS.**—

[(1) **STATE ALTERNATES.**—The State member of a participating State may have a single alternate, who shall be—

[(A) a resident of that State; and

[(B) appointed by the Governor of the State.

[(2) ALTERNATE FEDERAL COCHAIRPERSON.—The President shall appoint an alternate Federal cochairperson.

[(3) QUORUM.—A State alternate shall not be counted toward the establishment of a quorum of the Authority in any instance in which a quorum of the State members is required to be present.

[(4) DELEGATION OF POWER.—No power or responsibility of the Authority specified in paragraphs (2) and (3) of subsection (c), and no voting right of any Authority member, shall be delegated to any person—

[(A) who is not an Authority member; or

[(B) who is not entitled to vote in Authority meetings.

[(c) VOTING.—

[(1) IN GENERAL.—

[(A) TEMPORARY METHOD.—During the period beginning on the date of enactment of this subparagraph and ending on December 31, 2008, a decision by the Authority shall require the affirmative vote of the Federal cochairperson and a majority of the State members (not including any member representing a State that is delinquent under subsection (g)(2)(C)) to be effective.

[(B) PERMANENT METHOD.—Effective beginning on January 1, 2009, a decision by the Authority shall require a majority vote of the Authority (not including any member representing a State that is delinquent under subsection (g)(2)(C)) to be effective.

[(2) QUORUM.—A quorum of State members shall be required to be present for the Authority to make any policy decision, including—

[(A) a modification or revision of an Authority policy decision;

[(B) approval of a State or regional development plan; and

[(C) any allocation of funds among the States.

[(3) PROJECT AND GRANT PROPOSALS.—The approval of project and grant proposals shall be—

[(A) a responsibility of the Authority; and

[(B) conducted in accordance with section 382I.

VOTING BY ALTERNATE MEMBERS.—An alternate member shall vote in the case of the absence, death, disability, removal, or resignation of the Federal or State representative for which the alternate member is an alternate.

[(d) DUTIES.—The Authority shall—

[(1) develop, on a continuing basis, comprehensive and coordinated plans and programs to establish priorities and approve grants for the economic development of the region, giving due consideration to other Federal, State, and local planning and development activities in the region;

[(2) not later than 220 days after the date of enactment of this subtitle, establish priorities in a development plan for the region (including 5-year regional outcome targets);

[(3) assess the needs and assets of the region based on available research, demonstrations, investigations, assessments, and evaluations of the region prepared by Federal, State, and

local agencies, universities, local development districts, and other nonprofit groups;

[(4) formulate and recommend to the Governors and legislatures of States that participate in the Authority forms of interstate cooperation;

[(5) work with State and local agencies in developing appropriate model legislation;

[(6)(A) enhance the capacity of, and provide support for, local development districts in the region; or

[(B) if no local development district exists in an area in a participating State in the region, foster the creation of a local development district;

[(7) encourage private investment in industrial, commercial, and other economic development projects in the region; and

[(8) cooperate with and assist State governments with economic development programs of participating States.

[(e) ADMINISTRATION.—In carrying out subsection (d), the Authority may—

[(1) hold such hearings, sit and act at such times and places, take such testimony, receive such evidence, and print or otherwise reproduce and distribute a description of the proceedings and reports on actions by the Authority as the Authority considers appropriate;

[(2) authorize, through the Federal or State cochairperson or any other member of the Authority designated by the Authority, the administration of oaths if the Authority determines that testimony should be taken or evidence received under oath;

[(3) request from any Federal, State, or local department or agency such information as may be available to or procurable by the department or agency that may be of use to the Authority in carrying out duties of the Authority;

[(4) adopt, amend, and repeal bylaws, rules, and regulations governing the conduct of Authority business and the performance of Authority duties;

[(5) request the head of any Federal department or agency to detail to the Authority such personnel as the Authority requires to carry out duties of the Authority, each such detail to be without loss of seniority, pay, or other employee status;

[(6) request the head of any State department or agency or local government to detail to the Authority such personnel as the Authority requires to carry out duties of the Authority, each such detail to be without loss of seniority, pay, or other employee status;

[(7) provide for coverage of Authority employees in a suitable retirement and employee benefit system by—

[(A) making arrangements or entering into contracts with any participating State government; or

[(B) otherwise providing retirement and other employee benefit coverage;

[(8) accept, use, and dispose of gifts or donations of services or real, personal, tangible, or intangible property;

[(9) enter into and perform such contracts, leases, cooperative agreements, or other transactions as are necessary to

carry out Authority duties, including any contracts, leases, or cooperative agreements with—

[(A) any department, agency, or instrumentality of the United States;

[(B) any State (including a political subdivision, agency, or instrumentality of the State); or

[(C) any person, firm, association, or corporation; and

[(10) establish and maintain a central office and field offices at such locations as the Authority may select.

[(f) FEDERAL AGENCY COOPERATION.—A Federal agency shall—

[(1) cooperate with the Authority; and

[(2) provide, on request of the Federal cochairperson, appropriate assistance in carrying out this subtitle, in accordance with applicable Federal laws (including regulations).

[(g) ADMINISTRATIVE EXPENSES.—

[(1) IN GENERAL.—Administrative expenses of the Authority (except for the expenses of the Federal cochairperson, including expenses of the alternate and staff of the Federal cochairperson, which shall be paid solely by the Federal Government) shall be paid—

[(A) by the Federal Government, in an amount equal to 50 percent of the administrative expenses; and

[(B) by the States in the region participating in the Authority, in an amount equal to 50 percent of the administrative expenses.

[(2) STATE SHARE.—

[(A) IN GENERAL.—The share of administrative expenses of the Authority to be paid by each State shall be determined by the Authority.

[(B) NO FEDERAL PARTICIPATION.—The Federal cochairperson shall not participate or vote in any decision under subparagraph (A).

[(C) DELINQUENT STATES.—If a State is delinquent in payment of the State's share of administrative expenses of the Authority under this subsection—

[(i) no assistance under this subtitle shall be furnished to the State (including assistance to a political subdivision or a resident of the State); and

[(ii) no member of the Authority from the State shall participate or vote in any action by the Authority.

[(h) COMPENSATION.—

[(1) FEDERAL COCHAIRPERSON.—The Federal cochairperson shall be compensated by the Federal Government at level III of the Executive Schedule in subchapter II of chapter 53 of title 5, United States Code.

[(2) ALTERNATE FEDERAL COCHAIRPERSON.—The alternate Federal cochairperson—

[(A) shall be compensated by the Federal Government at level V of the Executive Schedule described in paragraph (1); and

[(B) when not actively serving as an alternate for the Federal cochairperson, shall perform such functions and duties as are delegated by the Federal cochairperson.

[(3) STATE MEMBERS AND ALTERNATES.—

[(A) IN GENERAL.—A State shall compensate each member and alternate representing the State on the Authority at the rate established by law of the State.

[(B) NO ADDITIONAL COMPENSATION.—No State member or alternate member shall receive any salary, or any contribution to or supplementation of salary from any source other than the State for services provided by the member or alternate to the Authority.

[(4) DETAILED EMPLOYEES.—

[(A) IN GENERAL.—No person detailed to serve the Authority under subsection (e)(6) shall receive any salary or any contribution to or supplementation of salary for services provided to the Authority from—

[(i) any source other than the State, local, or intergovernmental department or agency from which the person was detailed; or

[(ii) the Authority.

[(B) VIOLATION.—Any person that violates this paragraph shall be fined not more than \$5,000, imprisoned not more than 1 year, or both.

[(C) APPLICABLE LAW.—The Federal cochairperson, the alternate Federal cochairperson, and any Federal officer or employee detailed to duty on the Authority under subsection (e)(5) shall not be subject to subparagraph (A), but shall remain subject to sections 202 through 209 of title 18, United States Code.

[(5) ADDITIONAL PERSONNEL.—

[(A) COMPENSATION.—

[(i) IN GENERAL.—The Authority may appoint and fix the compensation of an executive director and such other personnel as are necessary to enable the Authority to carry out the duties of the Authority.

[(ii) EXCEPTION.—Compensation under clause (i) shall not exceed the maximum rate for the Senior Executive Service under section 5382 of title 5, United States Code, including any applicable locality-based comparability payment that may be authorized under section 5304(h)(2)(C) of that title.

[(B) EXECUTIVE DIRECTOR.—The executive director shall be responsible for—

[(i) the carrying out of the administrative duties of the Authority;

[(ii) direction of the Authority staff; and

[(iii) such other duties as the Authority may assign.

[(C) NO FEDERAL EMPLOYEE STATUS.—No member, alternate, officer, or employee of the Authority (except the Federal cochairperson of the Authority, the alternate and staff for the Federal cochairperson, and any Federal employee detailed to the Authority under subsection (e)(5)) shall be considered to be a Federal employee for any purpose.

[(i) CONFLICTS OF INTEREST.—

[(1) IN GENERAL.—Except as provided under paragraph (2), no State member, alternate, officer, or employee of the Authority shall participate personally and substantially as a member, alternate, officer, or employee of the Authority, through deci-

sion, approval, disapproval, recommendation, the rendering of advice, investigation, or otherwise, in any proceeding, application, request for a ruling or other determination, contract, claim, controversy, or other matter in which, to knowledge of the member, alternate, officer, or employee—

[(A) the member, alternate, officer, or employee;

[(B) the spouse, minor child, partner, or organization (other than a State or political subdivision of the State) of the member, alternate, officer, or employee, in which the member, alternate, officer, or employee is serving as officer, director, trustee, partner, or employee; or

[(C) any person or organization with whom the member, alternate, officer, or employee is negotiating or has any arrangement concerning prospective employment; has a financial interest.

[(2) DISCLOSURE.—Paragraph (1) shall not apply if the State member, alternate, officer, or employee—

[(A) immediately advises the Authority of the nature and circumstances of the proceeding, application, request for a ruling or other determination, contract, claim, controversy, or other particular matter presenting a potential conflict of interest;

[(B) makes full disclosure of the financial interest; and

[(C) before the proceeding concerning the matter presenting the conflict of interest, receives a written determination by the Authority that the interest is not so substantial as to be likely to affect the integrity of the services that the Authority may expect from the State member, alternate, officer, or employee.

[(3) VIOLATION.—Any person that violates this subsection shall be fined not more than \$10,000, imprisoned not more than 2 years, or both.

[(j) VALIDITY OF CONTRACTS, LOANS, AND GRANTS.—The Authority may declare void any contract, loan, or grant of or by the Authority in relation to which the Authority determines that there has been a violation of any provision under subsection (h)(4), subsection (i), or sections 202 through 209 of title 18, United States Code.

[SEC. 382C. ECONOMIC AND COMMUNITY DEVELOPMENT GRANTS.

[(a) IN GENERAL.—The Authority may approve grants to States and public and nonprofit entities for projects, approved in accordance with section 382I—

[(1) to develop the transportation infrastructure of the region for the purpose of facilitating economic development in the region (except that grants for this purpose may only be made to a State or local government);

[(2) to assist the region in obtaining the job training, employment-related education, and business development (with an emphasis on entrepreneurship) that are needed to build and maintain strong local economies;

[(3) to provide assistance to severely distressed and underdeveloped areas that lack financial resources for improving basic public services;

[(4) to provide assistance to severely distressed and underdeveloped areas that lack financial resources for equipping industrial parks and related facilities; and

[(5) to otherwise achieve the purposes of this subtitle.

[(b) FUNDING.—

[(1) IN GENERAL.—Funds for grants under subsection (a) may be provided—

[(A) entirely from appropriations to carry out this section;

[(B) in combination with funds available under another Federal or Federal grant program; or

[(C) from any other source.

[(2) PRIORITY OF FUNDING.—To best build the foundations for long-term economic development and to complement other Federal and State resources in the region, Federal funds available under this subtitle shall be focused on the activities in the following order or priority:

[(A) Basic public infrastructure in distressed counties and isolated areas of distress.

[(B) Transportation infrastructure for the purpose of facilitating economic development in the region.

[(C) Business development, with emphasis on entrepreneurship.

[(D) Job training or employment-related education, with emphasis on use of existing public educational institutions located in the region.

[SEC. 382D. SUPPLEMENTS TO FEDERAL GRANT PROGRAMS.

[(a) FINDING.—Congress finds that certain States and local communities of the region, including local development districts, may be unable to take maximum advantage of Federal grant programs for which the States and communities are eligible because—

[(1) the States or communities lack the economic resources to provide the required matching share; or

[(2) there are insufficient funds available under the applicable Federal law authorizing the Federal grant program to meet pressing needs of the region.

[(b) FEDERAL GRANT PROGRAM FUNDING.—Notwithstanding any provision of law limiting the Federal share, the areas eligible for assistance, or the authorizations of appropriations of any Federal grant program, and in accordance with subsection (c), the Authority, with the approval of the Federal cochairperson and with respect to a project to be carried out in the region—

[(1) may increase the Federal share of the costs of a project under the Federal grant program to not more than 90 percent (except as provided in section 382F(b)); and

[(2) shall use amounts made available to carry out this subtitle to pay the increased Federal share.

[(c) CERTIFICATIONS.—

[(1) IN GENERAL.—In the case of any project for which all or any portion of the basic Federal share of the costs of the project is proposed to be paid under this section, no Federal contribution shall be made until the Federal official administering the Federal law that authorizes the Federal grant program certifies that the project—

[(A) meets (except as provided in subsection (b)) the applicable requirements of the applicable Federal grant program; and

[(B) could be approved for Federal contribution under the Federal grant program if funds were available under the law for the project.

[(2) CERTIFICATION BY AUTHORITY.—

[(A) IN GENERAL.—The certifications and determinations required to be made by the Authority for approval of projects under this Act in accordance with section 382I—

[(i) shall be controlling; and

[(ii) shall be accepted by the Federal agencies.

[(B) ACCEPTANCE BY FEDERAL COCHAIRPERSON.—In the case of any project described in paragraph (1), any finding, report, certification, or documentation required to be submitted with respect to the project to the head of the department, agency, or instrumentality of the Federal Government responsible for the administration of the Federal grant program under which the project is carried out shall be accepted by the Federal cochairperson.

[SEC. 382E. LOCAL DEVELOPMENT DISTRICTS; CERTIFICATION AND ADMINISTRATIVE EXPENSES.

[(a) DEFINITION OF LOCAL DEVELOPMENT DISTRICT.—In this section, the term “local development district” means an entity that—

[(1) is—

[(A) a planning district in existence on the date of enactment of this subtitle that is recognized by the Economic Development Administration of the Department of Commerce; or

[(B) where an entity described in subparagraph (A) does not exist—

[(i) organized and operated in a manner that ensures broad-based community participation and an effective opportunity for other nonprofit groups to contribute to the development and implementation of programs in the region;

[(ii) governed by a policy board with at least a simple majority of members consisting of elected officials or employees of a general purpose unit of local government who have been appointed to represent the government;

[(iii) certified to the Authority as having a charter or authority that includes the economic development of counties or parts of counties or other political subdivisions within the region—

[(I) by the Governor of each State in which the entity is located; or

[(II) by the State officer designated by the appropriate State law to make the certification; and

[(iv)(I) a nonprofit incorporated body organized or chartered under the law of the State in which the entity is located;

[(II) a nonprofit agency or instrumentality of a State or local government;

[(III) a public organization established before the date of enactment of this subtitle under State law for creation of multi-jurisdictional, area-wide planning organizations; or

【(IV) a nonprofit association or combination of bodies, agencies, and instrumentalities described in subclauses (I) through (III); and

【(2) has not, as certified by the Federal cochairperson—

[(A) inappropriately used Federal grant funds from any Federal source; or

[(B) appointed an officer who, during the period in which another entity inappropriately used Federal grant funds from any Federal source, was an officer of the other entity.]

[(b) GRANTS TO LOCAL DEVELOPMENT DISTRICTS.—

【(1) IN GENERAL.—The Authority shall make grants for administrative expenses under this section.

【(2) CONDITIONS FOR GRANTS.—

[(A) MAXIMUM AMOUNT.—The amount of any grant awarded under paragraph (1) shall not exceed 80 percent of the administrative expenses of the local development district receiving the grant.]

【(B) MAXIMUM PERIOD.—No grant described in paragraph (1) shall be awarded to a State agency certified as a local development district for a period greater than 3 years.

[(C) LOCAL SHARE.—The contributions of a local development district for administrative expenses may be in cash or in kind, fairly evaluated, including space, equipment, and services.

[(c) DUTIES OF LOCAL DEVELOPMENT DISTRICTS.]—A local development district shall—

【(1) operate as a lead organization serving multicounty areas in the region at the local level; and

【2）serve as a liaison between State and local governments, nonprofit organizations (including community-based groups and educational institutions), the business community, and citizens that—

【(A) are involved in multijurisdictional planning;

[(B) provide technical assistance to local jurisdictions and potential grantees; and

[(C) provide leadership and civic development assistance.

[SEC. 382F. DISTRESSED COUNTIES AND AREAS AND NONDISTRESSED COUNTIES.

[(a) DESIGNATIONS.—Not later than 90 days after the date of enactment of this subtitle, and annually thereafter, the Authority, in accordance with such criteria as the Authority may establish, shall designate—

[(1) as distressed counties, counties in the region that are the most severely and persistently distressed and underdeveloped and have high rates of poverty or unemployment;

【(2) as nondistressed counties, counties in the region that are not designated as distressed counties under paragraph (1); and

[(3) as isolated areas of distress, areas located in nondistressed counties (as designated under paragraph (2)) that have high rates of poverty or unemployment.

[(b) DISTRESSED COUNTIES.—

[(1) IN GENERAL.—The Authority shall allocate at least 75 percent of the appropriations made available under section 382M for programs and projects designed to serve the needs of distressed counties and isolated areas of distress in the region.

[(2) FUNDING LIMITATIONS.—The funding limitations under section 382D(b) shall not apply to a project providing transportation or basic public services to residents of one or more distressed counties or isolated areas of distress in the region.

[(c) NONDISTRESSED COUNTIES.—

[(1) IN GENERAL.—Except as provided in this subsection, no funds shall be provided under this subtitle for a project located in a county designated as a nondistressed county under subsection (a)(2).

[(2) EXCEPTIONS.—

[(A) IN GENERAL.—The funding prohibition under paragraph (1) shall not apply to grants to fund the administrative expenses of local development districts under section 382E(b).

[(B) MULTICOUNTY PROJECTS.—The Authority may waive the application of the funding prohibition under paragraph (1) to—

[(i) a multicounty project that includes participation by a nondistressed county; or

[(ii) any other type of project;

if the Authority determines that the project could bring significant benefits to areas of the region outside a nondistressed county.

[(C) ISOLATED AREAS OF DISTRESS.—For a designation of an isolated area of distress for assistance to be effective, the designation shall be supported—

[(i) by the most recent Federal data available; or

[(ii) if no recent Federal data are available, by the most recent data available through the government of the State in which the isolated area of distress is located.

[(d) TRANSPORTATION AND BASIC PUBLIC INFRASTRUCTURE.—The Authority shall allocate at least 50 percent of any funds made available under section 382M for transportation and basic public infrastructure projects authorized under paragraphs (1) and (3) of section 382C(a).

[SEC. 382G. DEVELOPMENT PLANNING PROCESS.

[(a) STATE DEVELOPMENT PLAN.—In accordance with policies established by the Authority, each State member shall submit a development plan for the area of the region represented by the State member.

[(b) CONTENT OF PLAN.—A State development plan submitted under subsection (a) shall reflect the goals, objectives, and priorities identified in the regional development plan developed under section 382B(d)(2).

[(c) CONSULTATION WITH INTERESTED LOCAL PARTIES.—In carrying out the development planning process (including the selection of programs and projects for assistance), a State may—

[(1) consult with—

[(A) local development districts; and

[(B) local units of government; and

[(2) take into consideration the goals, objectives, priorities, and recommendations of the entities described in paragraph (1).

[(d) PUBLIC PARTICIPATION.—

[(1) IN GENERAL.—The Authority and applicable State and local development districts shall encourage and assist, to the maximum extent practicable, public participation in the development, revision, and implementation of all plans and programs under this subtitle.

[(2) REGULATIONS.—The Authority shall develop guidelines for providing public participation described in paragraph (1), including public hearings.

[SEC. 382H. PROGRAM DEVELOPMENT CRITERIA.

[(a) IN GENERAL.—In considering programs and projects to be provided assistance under this subtitle, and in establishing a priority ranking of the requests for assistance provided by the Authority, the Authority shall follow procedures that ensure, to the maximum extent practicable, consideration of—

[(1) the relationship of the project or class of projects to overall regional development;

[(2) the per capita income and poverty and unemployment rates in an area;

[(3) the financial resources available to the applicants for assistance seeking to carry out the project, with emphasis on ensuring that projects are adequately financed to maximize the probability of successful economic development;

[(4) the importance of the project or class of projects in relation to other projects or classes of projects that may be in competition for the same funds;

[(5) the prospects that the project for which assistance is sought will improve, on a continuing rather than a temporary basis, the opportunities for employment, the average level of income, or the economic development of the area served by the project; and

[(6) the extent to which the project design provides for detailed outcome measurements by which grant expenditures and the results of the expenditures may be evaluated.

[(b) NO RELOCATION ASSISTANCE.—No financial assistance authorized by this subtitle shall be used to assist a person or entity in relocating from one area to another, except that financial assistance may be used as otherwise authorized by this title to attract businesses from outside the region to the region.

[(c) REDUCTION OF FUNDS.—Funds may be provided for a program or project in a State under this subtitle only if the Authority determines that the level of Federal or State financial assistance provided under a law other than this subtitle, for the same type of program or project in the same area of the State within the region, will not be reduced as a result of funds made available by this subtitle.

[SEC. 382I. APPROVAL OF DEVELOPMENT PLANS AND PROJECTS.]

[(a) IN GENERAL.—A State or regional development plan or any multistate subregional plan that is proposed for development under this subtitle shall be reviewed and approved by the Authority.

[(b) EVALUATION BY STATE MEMBER.—An application for a grant or any other assistance for a project under this subtitle shall be made through and evaluated for approval by the State member of the Authority representing the applicant.

[(c) CERTIFICATION.—An application for a grant or other assistance for a project shall be approved only on certification by the State member that the application for the project—

[(1) describes ways in which the project complies with any applicable State development plan;

[(2) meets applicable criteria under section 382H;

[(3) provides adequate assurance that the proposed project will be properly administered, operated, and maintained; and

[(4) otherwise meets the requirements of this subtitle.

[(d) APPROVAL OF GRANT APPLICATIONS.—On certification by a State member of the Authority of an application for a grant or other assistance for a specific project under this section, an affirmative vote of the Authority under section 382B(c) shall be required for approval of the application.

[SEC. 382J. CONSENT OF STATES.]

[Nothing in this subtitle requires any State to engage in or accept any program under this subtitle without the consent of the State.

[SEC. 382K. RECORDS.]

[(a) RECORDS OF THE AUTHORITY.—

[(1) IN GENERAL.—The Authority shall maintain accurate and complete records of all transactions and activities of the Authority.

[(2) AVAILABILITY.—All records of the Authority shall be available for audit and examination by the Comptroller General of the United States and the Inspector General of the Department of Agriculture (including authorized representatives of the Comptroller General and the Inspector General of the Department of Agriculture).

[(b) RECORDS OF RECIPIENTS OF FEDERAL ASSISTANCE.—

[(1) IN GENERAL.—A recipient of Federal funds under this subtitle shall, as required by the Authority, maintain accurate and complete records of transactions and activities financed with Federal funds and report on the transactions and activities to the Authority.

[(2) AVAILABILITY.—All records required under paragraph (1) shall be available for audit by the Comptroller General of the United States, the Inspector General of the Department of Agriculture, and the Authority (including authorized representatives of the Comptroller General, the Inspector General of the Department of Agriculture, and the Authority).

[(c) ANNUAL AUDIT.—The Inspector General of the Department of Agriculture shall audit the activities, transactions, and records of the Authority on an annual basis.

[SEC. 382L. ANNUAL REPORT.

[(Not later than 180 days after the end of each fiscal year, the Authority shall submit to the President and to Congress a report describing the activities carried out under this subtitle.]

[SEC. 382M. AUTHORIZATION OF APPROPRIATIONS.

[(a) IN GENERAL.—There is authorized to be appropriated to the Authority to carry out this subtitle \$30,000,000 for each of fiscal years 2001 through 2007, to remain available until expended.]

[(b) ADMINISTRATIVE EXPENSES.—Not more than 5 percent of the amount appropriated under subsection (a) for a fiscal year shall be used for administrative expenses of the Authority.]

[SEC. 382N. TERMINATION OF AUTHORITY.

[(This subtitle and the authority provided under this subtitle expire on October 1, 2007.)]

[Subtitle G—Northern Great Plains Regional Authority

[SEC. 383A. DEFINITIONS.

[(In this subtitle:

[(1) AUTHORITY.—The term “Authority” means the Northern Great Plains Regional Authority established by section 383B.]

[(2) FEDERAL GRANT PROGRAM.—The term “Federal grant program” means a Federal grant program to provide assistance in—

[(A) implementing the recommendations of the Northern Great Plains Rural Development Commission established by the Northern Great Plains Rural Development Act (7 U.S.C. 2661 note; Public Law 103–318);

[(B) acquiring or developing land;

[(C) constructing or equipping a highway, road, bridge, or facility;

[(D) carrying out other economic development activities; or

[(E) conducting research activities related to the activities described in subparagraphs (A) through (D).]

[(3) INDIAN TRIBE.—The term “Indian tribe” has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).]

[(4) REGION.—The term “region” means the States of Iowa, Minnesota, Nebraska, North Dakota, and South Dakota.]

[SEC. 383B. NORTHERN GREAT PLAINS REGIONAL AUTHORITY.

[(a) ESTABLISHMENT.—

[(1) IN GENERAL.—There is established the Northern Great Plains Regional Authority.]

[(2) COMPOSITION.—The Authority shall be composed of—

[(A) a Federal member, to be appointed by the President, by and with the advice and consent of the Senate;

[(B) the Governor (or a designee of the Governor) of each State in the region that elects to participate in the Authority; and

[(C) a member of an Indian tribe, who shall be a chairperson of an Indian tribe in the region or a designee of

- such a chairperson, to be appointed by the President, by and with the advice and consent of the Senate.
- [(3) COCHAIRPERSONS.—The Authority shall be headed by—
- [(A) the Federal member, who shall serve—
 - [(i) as the Federal cochairperson; and
 - [(ii) as a liaison between the Federal Government and the Authority;
 - [(B) a State cochairperson, who—
 - [(i) shall be a Governor of a participating State in the region; and
 - [(ii) shall be elected by the State members for a term of not less than 1 year; and
 - [(C) the member of an Indian tribe, who shall serve—
 - [(i) as the tribal cochairperson; and
 - [(ii) as a liaison between the governments of Indian tribes in the region and the Authority.
- [(b) ALTERNATE MEMBERS.—
- [(1) ALTERNATE FEDERAL COCHAIRPERSON.—The President shall appoint an alternate Federal cochairperson.
 - [(2) STATE ALTERNATES.—
 - [(A) IN GENERAL.—The State member of a participating State may have a single alternate, who shall be—
 - [(i) a resident of that State; and
 - [(ii) appointed by the Governor of the State.
 - [(B) QUORUM.—A State alternate member shall not be counted toward the establishment of a quorum of the members of the Authority in any case in which a quorum of the State members is required to be present.
 - [(3) ALTERNATE TRIBAL COCHAIRPERSON.—The President shall appoint an alternate tribal cochairperson, by and with the advice and consent of the Senate.
 - [(4) DELEGATION OF POWER.—No power or responsibility of the Authority specified in paragraphs (2) and (3) of subsection (c), and no voting right of any member of the Authority, shall be delegated to any person who is not—
 - [(A) a member of the Authority; or
 - [(B) entitled to vote in Authority meetings.
- [(c) VOTING.—
- [(1) IN GENERAL.—A decision by the Authority shall require a majority vote of the Authority (not including any member representing a State that is delinquent under subsection (g)(2)(D)) to be effective.
 - [(2) QUORUM.—A quorum of State members shall be required to be present for the Authority to make any policy decision, including—
 - [(A) a modification or revision of an Authority policy decision;
 - [(B) approval of a State or regional development plan; and
 - [(C) any allocation of funds among the States.
 - [(3) PROJECT AND GRANT PROPOSALS.—The approval of project and grant proposals shall be—
 - [(A) a responsibility of the Authority; and
 - [(B) conducted in accordance with section 383I.

[(4) VOTING BY ALTERNATE MEMBERS.—An alternate member shall vote in the case of the absence, death, disability, removal, or resignation of the Federal, State, or Indian tribe member for whom the alternate member is an alternate.

[(d) DUTIES.—The Authority shall—

[(1) develop, on a continuing basis, comprehensive and coordinated plans and programs to establish priorities and approve grants for the economic development of the region, giving due consideration to other Federal, State, tribal, and local planning and development activities in the region;

[(2) not later than 220 days after the date of enactment of this subtitle, establish priorities in a development plan for the region (including 5-year regional outcome targets);

[(3) assess the needs and assets of the region based on available research, demonstrations, investigations, assessments, and evaluations of the region prepared by Federal, State, tribal, and local agencies, universities, local development districts, and other nonprofit groups;

[(4) formulate and recommend to the Governors and legislatures of States that participate in the Authority forms of interstate cooperation;

[(5) work with State, tribal, and local agencies in developing appropriate model legislation;

[(6)(A) enhance the capacity of, and provide support for, local development districts in the region; or

[(B) if no local development district exists in an area in a participating State in the region, foster the creation of a local development district;

[(7) encourage private investment in industrial, commercial, and other economic development projects in the region; and

[(8) cooperate with and assist State governments with economic development programs of participating States.

[(e) ADMINISTRATION.—In carrying out subsection (d), the Authority may—

[(1) hold such hearings, sit and act at such times and places, take such testimony, receive such evidence, and print or otherwise reproduce and distribute a description of the proceedings and reports on actions by the Authority as the Authority considers appropriate;

[(2) authorize, through the Federal, State, or tribal cochairperson or any other member of the Authority designated by the Authority, the administration of oaths if the Authority determines that testimony should be taken or evidence received under oath;

[(3) request from any Federal, State, tribal, or local agency such information as may be available to or procurable by the agency that may be of use to the Authority in carrying out the duties of the Authority;

[(4) adopt, amend, and repeal bylaws and rules governing the conduct of business and the performance of duties of the Authority;

[(5) request the head of any Federal agency to detail to the Authority such personnel as the Authority requires to carry out duties of the Authority, each such detail to be without loss of seniority, pay, or other employee status;

[(6) request the head of any State agency, tribal government, or local government to detail to the Authority such personnel as the Authority requires to carry out duties of the Authority, each such detail to be without loss of seniority, pay, or other employee status;

[(7) provide for coverage of Authority employees in a suitable retirement and employee benefit system by—

[(A) making arrangements or entering into contracts with any participating State government or tribal government; or

[(B) otherwise providing retirement and other employee benefit coverage;

[(8) accept, use, and dispose of gifts or donations of services or real, personal, tangible, or intangible property;

[(9) enter into and perform such contracts, leases, cooperative agreements, or other transactions as are necessary to carry out Authority duties, including any contracts, leases, or cooperative agreements with—

[(A) any department, agency, or instrumentality of the United States;

[(B) any State (including a political subdivision, agency, or instrumentality of the State);

[(C) any Indian tribe in the region; or

[(D) any person, firm, association, or corporation; and

[(10) establish and maintain a central office and field offices at such locations as the Authority may select.

[(f) FEDERAL AGENCY COOPERATION.—A Federal agency shall—

[(1) cooperate with the Authority; and

[(2) provide, on request of the Federal cochairperson, appropriate assistance in carrying out this subtitle, in accordance with applicable Federal laws (including regulations).

[(g) ADMINISTRATIVE EXPENSES.—

[(1) FEDERAL SHARE.—The Federal share of the administrative expenses of the Authority shall be—

[(A) for fiscal year 2002, 100 percent;

[(B) for fiscal year 2003, 75 percent; and

[(C) for fiscal year 2004 and each fiscal year thereafter, 50 percent.

[(2) NON-FEDERAL SHARE.—

[(A) IN GENERAL.—The non-Federal share of the administrative expenses of the Authority shall be paid by non-Federal sources in the States that participate in the Authority.

[(B) SHARE PAID BY EACH STATE.—The share of administrative expenses of the Authority to be paid by non-Federal sources in each State shall be determined by the Authority.

[(C) NO FEDERAL PARTICIPATION.—The Federal cochairperson shall not participate or vote in any decision under subparagraph (B).

[(D) DELINQUENT STATES.—If a State is delinquent in payment of the State's share of administrative expenses of the Authority under this subsection—

[(i) no assistance under this subtitle shall be provided to the State (including assistance to a political subdivision or a resident of the State); and

[(ii) no member of the Authority from the State shall participate or vote in any action by the Authority.

[(h) COMPENSATION.—

[(1) FEDERAL AND TRIBAL COCHAIRPERSONS.—The Federal cochairperson and the tribal cochairperson shall be compensated by the Federal Government at the annual rate of basic pay prescribed for level III of the Executive Schedule in subchapter II of chapter 53 of title 5, United States Code.

[(2) ALTERNATE FEDERAL AND TRIBAL COCHAIRPERSONS.—The alternate Federal cochairperson and the alternate tribal cochairperson—

[(A) shall be compensated by the Federal Government at the annual rate of basic pay prescribed for level V of the Executive Schedule described in paragraph (1); and

[(B) when not actively serving as an alternate, shall perform such functions and duties as are delegated by the Federal cochairperson or the tribal cochairperson, respectively.

[(3) STATE MEMBERS AND ALTERNATES.—

[(A) IN GENERAL.—A State shall compensate each member and alternate representing the State on the Authority at the rate established by State law.

[(B) NO ADDITIONAL COMPENSATION.—No State member or alternate member shall receive any salary, or any contribution to or supplementation of salary from any source other than the State for services provided by the member or alternate member to the Authority.

[(4) DETAILED EMPLOYEES.—

[(A) IN GENERAL.—No person detailed to serve the Authority under subsection (e)(6) shall receive any salary or any contribution to or supplementation of salary for services provided to the Authority from—

[(i) any source other than the State, tribal, local, or intergovernmental agency from which the person was detailed; or

[(ii) the Authority.

[(B) VIOLATION.—Any person that violates this paragraph shall be fined not more than \$5,000, imprisoned not more than 1 year, or both.

[(C) APPLICABLE LAW.—The Federal cochairperson, the alternate Federal cochairperson, and any Federal officer or employee detailed to duty on the Authority under subsection (e)(5) shall not be subject to subparagraph (A), but shall remain subject to sections 202 through 209 of title 18, United States Code.

[(5) ADDITIONAL PERSONNEL.—

[(A) COMPENSATION.—

[(i) IN GENERAL.—The Authority may appoint and fix the compensation of an executive director and such other personnel as are necessary to enable the Authority to carry out the duties of the Authority.

[(ii) EXCEPTION.—Compensation under clause (i) shall not exceed the maximum rate for the Senior Executive Service under section 5382 of title 5, United States Code, including any applicable locality-based comparability payment that may be authorized under section 5304(h)(2)(C) of that title.

[(B) EXECUTIVE DIRECTOR.—The executive director shall be responsible for—

[(i) the carrying out of the administrative duties of the Authority;

[(ii) direction of the Authority staff; and

[(iii) such other duties as the Authority may assign.

[(C) NO FEDERAL EMPLOYEE STATUS.—No member, alternate, officer, or employee of the Authority (except the Federal cochairperson of the Authority, the alternate and staff for the Federal cochairperson, and any Federal employee detailed to the Authority under subsection (e)(5)) shall be considered to be a Federal employee for any purpose.

[(i) CONFLICTS OF INTEREST.—

[(1) IN GENERAL.—Except as provided under paragraph (2), no State member, Indian tribe member, State alternate, officer, or employee of the Authority shall participate personally and substantially as a member, alternate, officer, or employee of the Authority, through decision, approval, disapproval, recommendation, the rendering of advice, investigation, or otherwise, in any proceeding, application, request for a ruling or other determination, contract, claim, controversy, or other matter in which, to knowledge of the member, alternate, officer, or employee—

[(A) the member, alternate, officer, or employee;

[(B) the spouse, minor child, partner, or organization (other than a State or political subdivision of the State or the Indian tribe) of the member, alternate, officer, or employee, in which the member, alternate, officer, or employee is serving as officer, director, trustee, partner, or employee; or

[(C) any person or organization with whom the member, alternate, officer, or employee is negotiating or has any arrangement concerning prospective employment; has a financial interest.

[(2) DISCLOSURE.—Paragraph (1) shall not apply if the State member, Indian tribe member, alternate, officer, or employee—

[(A) immediately advises the Authority of the nature and circumstances of the proceeding, application, request for a ruling or other determination, contract, claim, controversy, or other particular matter presenting a potential conflict of interest;

[(B) makes full disclosure of the financial interest; and

[(C) before the proceeding concerning the matter presenting the conflict of interest, receives a written determination by the Authority that the interest is not so substantial as to be likely to affect the integrity of the services that the Authority may expect from the State member, Indian tribe member, alternate, officer, or employee.

[(3) VIOLATION.—Any person that violates this subsection shall be fined not more than \$10,000, imprisoned not more than 2 years, or both.

[(j) VALIDITY OF CONTRACTS, LOANS, AND GRANTS.—The Authority may declare void any contract, loan, or grant of or by the Authority in relation to which the Authority determines that there has been a violation of any provision under subsection (h)(4) or subsection (i) of this subtitle, or sections 202 through 209 of title 18, United States Code.

[SEC. 383C. ECONOMIC AND COMMUNITY DEVELOPMENT GRANTS.

[(a) IN GENERAL.—The Authority may approve grants to States, Indian tribes, local governments, and public and nonprofit organizations for projects, approved in accordance with section 383I—

[(1) to develop the transportation and telecommunication infrastructure of the region for the purpose of facilitating economic development in the region (except that grants for this purpose may be made only to States, Indian tribes, local governments, and nonprofit organizations);

[(2) to assist the region in obtaining the job training, employment-related education, and business development (with an emphasis on entrepreneurship) that are needed to build and maintain strong local economies;

[(3) to provide assistance to severely distressed and underdeveloped areas that lack financial resources for improving basic public services;

[(4) to provide assistance to severely distressed and underdeveloped areas that lack financial resources for equipping industrial parks and related facilities; and

[(5) to otherwise achieve the purposes of this subtitle.

[(b) FUNDING.—

[(1) IN GENERAL.—Funds for grants under subsection (a) may be provided—

[(A) entirely from appropriations to carry out this section;

[(B) in combination with funds available under another Federal grant program; or

[(C) from any other source.

[(2) PRIORITY OF FUNDING.—To best build the foundations for long-term economic development and to complement other Federal, State, and tribal resources in the region, Federal funds available under this subtitle shall be focused on the activities in the following order or priority:

[(A) Basic public infrastructure in distressed counties and isolated areas of distress.

[(B) Transportation and telecommunication infrastructure for the purpose of facilitating economic development in the region.

[(C) Business development, with emphasis on entrepreneurship.

[(D) Job training or employment-related education, with emphasis on use of existing public educational institutions located in the region.

[SEC. 383D. SUPPLEMENTS TO FEDERAL GRANT PROGRAMS.

[(a) FINDING.—Congress finds that certain States and local communities of the region, including local development districts, may be unable to take maximum advantage of Federal grant programs for which the States and communities are eligible because—

[(1) they lack the economic resources to provide the required matching share; or

[(2) there are insufficient funds available under the applicable Federal law authorizing the Federal grant program to meet pressing needs of the region.

[(b) FEDERAL GRANT PROGRAM FUNDING.—Notwithstanding any provision of law limiting the Federal share, the areas eligible for assistance, or the authorizations of appropriations, under any Federal grant program, and in accordance with subsection (c), the Authority, with the approval of the Federal cochairperson and with respect to a project to be carried out in the region—

[(1) may increase the Federal share of the costs of a project under any Federal grant program to not more than 90 percent (except as provided in section 383F(b)); and

[(2) shall use amounts made available to carry out this subtitle to pay the increased Federal share.

[(c) CERTIFICATIONS.—

[(1) IN GENERAL.—In the case of any project for which all or any portion of the basic Federal share of the costs of the project is proposed to be paid under this section, no Federal contribution shall be made until the Federal official administering the Federal law that authorizes the Federal grant program certifies that the project—

[(A) meets (except as provided in subsection (b)) the applicable requirements of the applicable Federal grant program; and

[(B) could be approved for Federal contribution under the Federal grant program if funds were available under the law for the project.

[(2) CERTIFICATION BY AUTHORITY.—

[(A) IN GENERAL.—The certifications and determinations required to be made by the Authority for approval of projects under this Act in accordance with section 383I—

[(i) shall be controlling; and

[(ii) shall be accepted by the Federal agencies.

[(B) ACCEPTANCE BY FEDERAL COCHAIRPERSON.—In the case of any project described in paragraph (1), any finding, report, certification, or documentation required to be submitted with respect to the project to the head of the department, agency, or instrumentality of the Federal Government responsible for the administration of the Federal grant program under which the project is carried out shall be accepted by the Federal cochairperson.

[SEC. 383E. LOCAL DEVELOPMENT DISTRICTS AND ORGANIZATIONS AND NORTHERN GREAT PLAINS INC.

[(a) DEFINITION OF LOCAL DEVELOPMENT DISTRICT.—In this section, the term “local development district” means an entity—

[(1) that—

[(A) is a planning district in existence on the date of enactment of this subtitle that is recognized by the Economic

Development Administration of the Department of Commerce; or

[(B) is—

[(i) organized and operated in a manner that ensures broad-based community participation and an effective opportunity for other nonprofit groups to contribute to the development and implementation of programs in the region;

[(ii) governed by a policy board with at least a simple majority of members consisting of—

[(I) elected officials or employees of a general purpose unit of local government who have been appointed to represent the government; or

[(II) individuals appointed by the general purpose unit of local government to represent the government;

[(iii) certified to the Authority as having a charter or authority that includes the economic development of counties or parts of counties or other political subdivisions within the region—

[(I) by the Governor of each State in which the entity is located; or

[(II) by the State officer designated by the appropriate State law to make the certification; and

[(iv)(I) a nonprofit incorporated body organized or chartered under the law of the State in which the entity is located;

[(II) a nonprofit agency or instrumentality of a State or local government;

[(III) a public organization established before the date of enactment of this subtitle under State law for creation of multi-jurisdictional, area-wide planning organizations; or

[(IV) a nonprofit association or combination of bodies, agencies, and instrumentalities described in subclauses (I) through (III); and

[(2) that has not, as certified by the Federal cochairperson—

[(A) inappropriately used Federal grant funds from any Federal source; or

[(B) appointed an officer who, during the period in which another entity inappropriately used Federal grant funds from any Federal source, was an officer of the other entity.

[(b) GRANTS TO LOCAL DEVELOPMENT DISTRICTS.—

[(1) IN GENERAL.—The Authority may make grants for administrative expenses under this section.

[(2) CONDITIONS FOR GRANTS.—

[(A) MAXIMUM AMOUNT.—The amount of any grant awarded under paragraph (1) shall not exceed 80 percent of the administrative expenses of the local development district receiving the grant.

[(B) MAXIMUM PERIOD.—No grant described in paragraph (1) shall be awarded to a State agency certified as a local development district for a period greater than 3 years.

[(C) LOCAL SHARE.—The contributions of a local development district for administrative expenses may be in cash or in kind, fairly evaluated, including space, equipment, and services.

[(c) DUTIES OF LOCAL DEVELOPMENT DISTRICTS.—A local development district shall—

[(1) operate as a lead organization serving multicounty areas in the region at the local level; and

[(2) serve as a liaison between State, tribal, and local governments, nonprofit organizations (including community-based groups and educational institutions), the business community, and citizens that—

[(A) are involved in multijurisdictional planning;

[(B) provide technical assistance to local jurisdictions and potential grantees; and

[(C) provide leadership and civic development assistance.

[(d) NORTHERN GREAT PLAINS INC.—Northern Great Plains Inc., a nonprofit corporation incorporated in the State of Minnesota to implement the recommendations of the Northern Great Plains Rural Development Commission established by the Northern Great Plains Rural Development Act (7 U.S.C. 2661 note; Public Law 103-318)—

[(1) shall serve as an independent, primary resource for the Authority on issues of concern to the region;

[(2) shall advise the Authority on development of international trade;

[(3) may provide research, education, training, and other support to the Authority; and

[(4) may carry out other activities on its own behalf or on behalf of other entities.

[(SEC. 383F. DISTRESSED COUNTIES AND AREAS AND NONDISTRESSED COUNTIES.

[(a) DESIGNATIONS.—Not later than 90 days after the date of enactment of this subtitle, and annually thereafter, the Authority, in accordance with such criteria as the Authority may establish, shall designate—

[(1) as distressed counties, counties in the region that are the most severely and persistently distressed and underdeveloped and have high rates of poverty, unemployment, or outmigration;

[(2) as nondistressed counties, counties in the region that are not designated as distressed counties under paragraph (1); and

[(3) as isolated areas of distress, areas located in nondistressed counties (as designated under paragraph (2)) that have high rates of poverty, unemployment, or outmigration.

[(b) DISTRESSED COUNTIES.—

[(1) IN GENERAL.—The Authority shall allocate at least 75 percent of the appropriations made available under section 383M for programs and projects designed to serve the needs of distressed counties and isolated areas of distress in the region.

[(2) FUNDING LIMITATIONS.—The funding limitations under section 383D(b) shall not apply to a project to provide transportation or telecommunication or basic public services to resi-

dents of 1 or more distressed counties or isolated areas of distress in the region.

[(c) NONDISTRESSED COUNTIES.—

[(1) IN GENERAL.—Except as provided in paragraph (2), no funds shall be provided under this subtitle for a project located in a county designated as a nondistressed county under subsection (a)(2).

[(2) EXCEPTIONS.—

[(A) IN GENERAL.—The funding prohibition under paragraph (1) shall not apply to grants to fund the administrative expenses of local development districts under section 383E(b).

[(B) MULTICOUNTY PROJECTS.—The Authority may waive the application of the funding prohibition under paragraph (1) to—

[(i) a multicounty project that includes participation by a nondistressed county; or

[(ii) any other type of project;

if the Authority determines that the project could bring significant benefits to areas of the region outside a nondistressed county.

[(C) ISOLATED AREAS OF DISTRESS.—For a designation of an isolated area of distress for assistance to be effective, the designation shall be supported—

[(i) by the most recent Federal data available; or

[(ii) if no recent Federal data are available, by the most recent data available through the government of the State in which the isolated area of distress is located.

[(d) TRANSPORTATION, TELECOMMUNICATION, AND BASIC PUBLIC INFRASTRUCTURE.—The Authority shall allocate at least 50 percent of any funds made available under section 383M for transportation, telecommunication, and basic public infrastructure projects authorized under paragraphs (1) and (3) of section 383C(a).

[SEC. 383G. DEVELOPMENT PLANNING PROCESS.

[(a) STATE DEVELOPMENT PLAN.—In accordance with policies established by the Authority, each State member shall submit a development plan for the area of the region represented by the State member.

[(b) CONTENT OF PLAN.—A State development plan submitted under subsection (a) shall reflect the goals, objectives, and priorities identified in the regional development plan developed under section 383B(d)(2).

[(c) CONSULTATION WITH INTERESTED LOCAL PARTIES.—In carrying out the development planning process (including the selection of programs and projects for assistance), a State may—

[(1) consult with—

[(A) local development districts; and

[(B) local units of government; and

[(2) take into consideration the goals, objectives, priorities, and recommendations of the entities described in paragraph (1).

[(d) PUBLIC PARTICIPATION.—

[(1) IN GENERAL.—The Authority and applicable State and local development districts shall encourage and assist, to the

maximum extent practicable, public participation in the development, revision, and implementation of all plans and programs under this subtitle.

[(2) REGULATIONS.—The Authority shall develop guidelines for providing public participation described in paragraph (1), including public hearings.

[SEC. 383H. PROGRAM DEVELOPMENT CRITERIA.

[(a) IN GENERAL.—In considering programs and projects to be provided assistance under this subtitle, and in establishing a priority ranking of the requests for assistance provided to the Authority, the Authority shall follow procedures that ensure, to the maximum extent practicable, consideration of—

[(1) the relationship of the project or class of projects to overall regional development;

[(2) the per capita income and poverty and unemployment and outmigration rates in an area;

[(3) the financial resources available to the applicants for assistance seeking to carry out the project, with emphasis on ensuring that projects are adequately financed to maximize the probability of successful economic development;

[(4) the importance of the project or class of projects in relation to other projects or classes of projects that may be in competition for the same funds;

[(5) the prospects that the project for which assistance is sought will improve, on a continuing rather than a temporary basis, the opportunities for employment, the average level of income, or the economic development of the area to be served by the project; and

[(6) the extent to which the project design provides for detailed outcome measurements by which grant expenditures and the results of the expenditures may be evaluated.

[(b) NO RELOCATION ASSISTANCE.—No financial assistance authorized by this subtitle shall be used to assist a person or entity in relocating from one area to another, except that financial assistance may be used as otherwise authorized by this title to attract businesses from outside the region to the region.

[(c) MAINTENANCE OF EFFORT.—Funds may be provided for a program or project in a State under this subtitle only if the Authority determines that the level of Federal or State financial assistance provided under a law other than this subtitle, for the same type of program or project in the same area of the State within the region, will not be reduced as a result of funds made available by this subtitle.

[SEC. 383I. APPROVAL OF DEVELOPMENT PLANS AND PROJECTS.

[(a) IN GENERAL.—A State or regional development plan or any multistate subregional plan that is proposed for development under this subtitle shall be reviewed by the Authority.

[(b) EVALUATION BY STATE MEMBER.—An application for a grant or any other assistance for a project under this subtitle shall be made through and evaluated for approval by the State member of the Authority representing the applicant.

[(c) CERTIFICATION.—An application for a grant or other assistance for a project shall be approved only on certification by the State member that the application for the project—

[(1) describes ways in which the project complies with any applicable State development plan;

[(2) meets applicable criteria under section 383H;

[(3) provides adequate assurance that the proposed project will be properly administered, operated, and maintained; and

[(4) otherwise meets the requirements of this subtitle.

[(d) VOTES FOR DECISIONS.—On certification by a State member of the Authority of an application for a grant or other assistance for a specific project under this section, an affirmative vote of the Authority under section 383B(c) shall be required for approval of the application.

[SEC. 383J. CONSENT OF STATES.

[Nothing in this subtitle requires any State to engage in or accept any program under this subtitle without the consent of the State.

[SEC. 383K. RECORDS.

[(a) RECORDS OF THE AUTHORITY.—

[(1) IN GENERAL.—The Authority shall maintain accurate and complete records of all transactions and activities of the Authority.

[(2) AVAILABILITY.—All records of the Authority shall be available for audit and examination by the Comptroller General of the United States and the Inspector General of the Department of Agriculture (including authorized representatives of the Comptroller General and the Inspector General of the Department of Agriculture).

[(b) RECORDS OF RECIPIENTS OF FEDERAL ASSISTANCE.—

[(1) IN GENERAL.—A recipient of Federal funds under this subtitle shall, as required by the Authority, maintain accurate and complete records of transactions and activities financed with Federal funds and report to the Authority on the transactions and activities to the Authority.

[(2) AVAILABILITY.—All records required under paragraph (1) shall be available for audit by the Comptroller General of the United States, the Inspector General of the Department of Agriculture, and the Authority (including authorized representatives of the Comptroller General, the Inspector General of the Department of Agriculture, and the Authority).

[(c) ANNUAL AUDIT.—The Inspector General of the Department of Agriculture shall audit the activities, transactions, and records of the Authority on an annual basis.

[SEC. 383L. ANNUAL REPORT.

[Not later than 180 days after the end of each fiscal year, the Authority shall submit to the President and to Congress a report describing the activities carried out under this subtitle.

[SEC. 383M. AUTHORIZATION OF APPROPRIATIONS.

[(a) IN GENERAL.—There is authorized to be appropriated to the Authority to carry out this subtitle \$30,000,000 for each of fiscal years 2002 through 2007, to remain available until expended.

[(b) ADMINISTRATIVE EXPENSES.—Not more than 5 percent of the amount appropriated under subsection (a) for a fiscal year shall be used for administrative expenses of the Authority.

[(c) MINIMUM STATE SHARE OF GRANTS.—Notwithstanding any other provision of this subtitle, for any fiscal year, the aggregate amount of grants received by a State and all persons or entities in the State under this subtitle shall be not less than $\frac{1}{3}$ of the product obtained by multiplying—

[(1) the aggregate amount of grants under this subtitle for the fiscal year; and

[(2) the ratio that—

[(A) the population of the State (as determined by the Secretary of Commerce based on the most recent decennial census for which data are available); bears to

[(B) the population of the region (as so determined).

[SEC. 383N. TERMINATION OF AUTHORITY.]

[The authority provided by this subtitle terminates effective October 1, 2007.]

* * * * *

SECTION 11 OF THE INSPECTOR GENERAL ACT OF 1978

DEFINITIONS

SEC. 11. As used in this Act—

(1) the term “head of the establishment” means the Secretary of Agriculture, Commerce, Defense, Education, Energy, Health and Human Services, Housing and Urban Development, the Interior, Labor, State, Transportation, Homeland Security, or the Treasury; the Attorney General; the Administrator of the Agency for International Development, Environmental Protection, General Services, National Aeronautics and Space, or Small Business, or Veterans’ Affairs; the Director of the Federal Emergency Management Agency, or the Office of Personnel Management; the Chairman of the Nuclear Regulatory Commission or the Railroad Retirement Board; the Chairperson of the Thrift Depositor Protection Oversight Board; the Chief Executive Officer of the Corporation for National and Community Service; the Administrator of the Community Development Financial Institutions Fund; the chief executive officer of the Resolution Trust Corporation; the Chairperson of the Federal Deposit Insurance Corporation; the Commissioner of Social Security, Social Security Administration; the Board of Directors of the Tennessee Valley Authority; [or the President of the Export-Import Bank;] *the President of the Export-Import Bank; or the Federal Cochairpersons of the Commissions established under section 15301 of title 40, United States Code*; as the case may be;

(2) the term “establishment” means the Department of Agriculture, Commerce, Defense, Education, Energy, Health and Human Services, Housing and Urban Development, the Interior, Justice, Labor, State, Transportation, Homeland Security, or the Treasury; the Agency for International Development, the Community Development Financial Institutions Fund, the Environmental Protection Agency, the Federal Emergency Management Agency, the General Services Administration, the National Aeronautics and Space Administration, the Nuclear Reg-

ulatory Commission, the Office of Personnel Management, the Railroad Retirement Board, the Resolution Trust Corporation, the Federal Deposit Insurance Corporation, the Small Business Administration, the Corporation for National and Community Service, or the Veterans' Administration, the Social Security Administration, the Tennessee Valley Authority, [or the Export-Import Bank,] *the Export-Import Bank, or the Commissions established under section 15301 of title 40, United States Code*, as the case may be;

* * * * *

○